



ADUR & WORTHING
COUNCILS

29 August 2023

Joint Overview & Scrutiny Committee

Date:	7 September 2023
Time:	6.30 pm
Venue:	QEII Room, Shoreham Centre, Pond Road, Shoreham

Committee Membership:

Adur District Council: Councillors; Joss Loader (Adur Chair), Mandy Buxton (Adur Vice-Chair), Carol Albury, Tony Bellasis, Ann Bridges, Lee Cowen, Paul Mansfield and Sharon Sluman

Worthing Borough Council: Councillors; Heather Mercer (Worthing Chairman), Elizabeth Sparkes (Worthing Vice-Chairman), Cathy Glynn-Davies, Dan Hermitage, Margaret Howard, Daniel Humphreys, Richard Mulholland and Hilary Schan

Agenda

Part A

1. Declaration 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. Substitute Members

3. Confirmation of Minutes

To approve the minutes of the Joint Overview and Scrutiny Committee meeting of held on 25 July 2023, copies of which have been previously circulated.

4. Public Question Time

So as to provide the best opportunity for the Committee to provide the public with the fullest answer, questions from the public should be submitted by 12.00pm noon on Monday 4 September 2023.

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

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

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

5. Members Questions

Councillors who are not members of this committee can ask questions under CPR 12 Questions should be relevant to the committee where the question is being asked and also relevant to an item on the agenda. Please contact Democratic Services for more information

Members question time is 30 minutes and questions should be submitted no later than 12.00pm noon on Monday 4 September 2023.

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

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

6. Items Raised Under Urgency Provisions

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

7. Consideration of any matter referred to the Committee in relation to a call-in of a decision

At the time of publication of this agenda there have been no call-in's received.

8. Financial Performance 2022/23 - Revenue Outturn (Pages 5 - 34)

To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 8

9. Developing a Revenue Budget for 2024/25 in Difficult Economic Circumstances (Pages 35 - 76)

To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 9.

- 10. Interview with Worthing Cabinet Member for Environment (Pages 77 - 82)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 10
- 11. Interview with Worthing Cabinet Member for Housing and Citizen Services (Pages 83 - 86)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 11
- 12. Interview with Worthing Cabinet Member for Community Wellbeing (Pages 87 - 90)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 12
- 13. Annual review of the recovery of the Adur & Worthing evening and night time economies (ENTE) (Pages 91 - 106)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 13
- 14. Review of the JOSOC Work Programme (Pages 107 - 112)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 14
- 15. Interview with Adur Cabinet Member for Communities & Wellbeing (Pages 113 - 118)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 15
- 16. Interview with Adur Cabinet Member for Adur Homes and Customer Services (Pages 119 - 122)**
To consider a report by the Director for Digital, Sustainability and Resources, copy attached as item 16

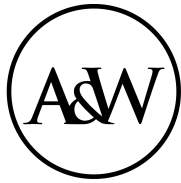
Recording of this meeting

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

For Democratic Services enquiries relating	For Legal Services enquiries relating to
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to this meeting please contact:	this meeting please contact:
Simon Filler Democratic Services Officer 01903 221364 simon.filler@adur-worthing.gov.uk	Joanne Lee Head of Legal Services & Monitoring Officer 01903 221134 joanne.lee@adur-worthing.gov.uk

Duration of the Meeting: Three 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.



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
11 July 2023

Joint Overview & Scrutiny Committee
7 September 2023

Key Decision: No

Ward(s) Affected: All

Financial Performance 2022/23 - Revenue outturn

Report by the Director for Sustainability & Resources

Executive Summary

1. Purpose

- 1.1 This report outlines the revenue financial monitoring position for the end of the 2022/23 financial year for the Joint Strategic Committee, Adur District and Worthing Borough Councils. At the time of publication of this report, the Statements of Accounts are in progress, both due to be completed by the end of July. The audit commencement date is still to be confirmed but is unlikely to commence until the Autumn, any adjustments that emerge during the audit will be reported to members later in the year.
- 1.2 The final position for operational services were overspends for Adur District Council of £1.8m and Worthing Borough Council of £3.6m. This is compared to the projections reported at quarter 3 when operational outturns were predicted to be an overspend of £1.6m in Adur and £3.3m in Worthing before any use of reserves.
- 1.3 Overall outturn positions were an overspend of £10k in Adur District Council and an underspend of £778k in Worthing Borough Council. This represents a 0% overspend against the budget for Adur and 6% underspend in Worthing.

1.4 The table at 4.4 below sets out the components contributing to the outturn positions in 2022/23.

1.5 There is one 2022/23 budget carry forward proposed in Worthing of £35,000 to support Cost of Living funding.

1.6 This outcome is an improvement for both Councils from that forecast in the quarter 3 monitoring report '3rd Revenue Budget Monitoring Report (Q3) 2022/23' when net overall overspends after reserve transfers of £382k and £2.1m were being projected in Adur and Worthing respectively. The significant movement in Worthing is due to the outcome of the VAT appeal claim related to leisure services (see section 4.7) which was announced in the last quarter of the financial year. Adur's outturn position improved due to increased income from business rates.

1.7 The following appendices have been attached to this report:

Appendix 1 Joint Summary of 2022/23 Outturn

Appendix 2 (a) Adur Summary of 2022/23 Outturn
(b) Adur Use of Earmarked Reserves

Appendix 3 (a) Worthing Summary of 2022/23 Outturn
(b) Worthing Use of Earmarked Reserves

Appendix 4 (a) HRA Summary
(b) HRA Briefing Note of Variances Q3 to Outturn

2. Recommendations

2.1 The Joint Strategic Committee is asked to recommend that Adur District Council, at its meeting on 20th July 2023 and Worthing Borough Council at its meeting on 18th July 2023:-

(a) NOTE the overall final outturn for 2022/23.

(b) APPROVE the net appropriations from General Fund Reserves in the year as detailed in section 6 of the report totalling: Adur District Council £749,839 Worthing Borough Council £1,644,580.

(c) AGREE in Worthing Borough Council the revenue budget carry forward to 2023/24 of £35,000 to be funded from reserves to support work associated with the Cost of Living crisis.

2.2 Joint Overview and Scrutiny Committee is recommended to note:

(i) the contents of the report and consider whether it needs to scrutinise any budget area in detail.

3. Context

3.1 2022/23 was a year of multiple financial challenges with the long term impacts of the pandemic running alongside the sudden cost of living crisis. The Councils saw increases in the wage bill, significant hikes in energy costs and a rise in homelessness. Council service teams worked tirelessly to maintain service levels throughout these consecutive upheavals while also delivering significant change programmes such as the rationalisation of office accommodation at Portland House to generate rental income, increases to a number of commercial income streams and strong performance in the Strategic Property Investment Fund. Positive contributions from underspends in the Minimum Revenue Provision for both Councils; and in Worthing a VAT reclaim payment significantly improved final outturns. Current and future years continue to be challenging in a period of persistently high inflation and seemingly permanent changes to income streams such as car parking. There remains a need to continually review and reshape the medium term financial strategy to adapt the councils' budget to new financial realities.

3.2 The Joint Strategic Committee last considered the 5-year forecast for 2022/23 to 2026/27 on 6th December 2022. This report '2023/24 - Budget update' outlined

the financial context, and updated the outline 5 year forecast, the key budget pressures and the savings proposals for addressing the budget gap for Adur and Worthing Councils. The report built on previous strategies whose aim was to ensure that the Councils would become community funded by 2020 reliant, by then, only on income from trading and commercial activities, council tax income and business rate income.

- 3.2 The successful delivery of the strategy is fundamentally changing how the Councils are funded. The Councils are moving increasingly away from ever reducing government funding towards funding from the local community via Council Tax and Business Rates, becoming increasingly reliant on income from commercial activities.

4. Issues for consideration

- 4.1 As part of the 2022/23 budget the Councils committed to savings of £0.168m for Adur District Council and £1.136m for Worthing Borough Council to produce a balanced budget and to address the reduction in Government support. Services were required to carry out efficiency, procurement and base budget reviews to identify where income could be increased or expenditure reduced. However, the financial landscape has changed due to the impact of the economic downturn, energy prices, rising inflation and interest rates visible in additional cost pressures falling on the Council over the last 12 months. Additional pressure has also been created by the national pay award which was higher than assumed and built into the 2022/23 budget.

- 4.2 Following the LGA Finance peer review in November 2019, which referenced in its feedback report the low level of the reserves, the Councils have positioned themselves to better manage risk and contribute to reserves for the future through three separate initiatives:

- The centralisation of inflation provisions.
- The creation of contingency budgets where possible for areas of uncertainty in the budget.
- Accelerating savings initiatives where possible - including generating additional commercial income.

These measures have built some capacity in the Council's reserves which is much needed at this time.

- 4.3 The budgets were approved in February 2022 with continued uncertainty around the pace of recovery from the impact of the Covid 19 pandemic. During 2022/23

the government continued to help support people and businesses as the country navigated its way through the recovery, this had an ongoing impact on local councils:

- Administration of the government backed schemes for energy rebate payments.
- Administration of additional business rates reliefs awarded to support business, including the re-issuing of the bills.
- A reduction in business rate income as a result of the additional reliefs.

There was also a large volume of work created in 2022/23 from the returns and reconciliations required associated with the business and self isolation grants administered by the councils on behalf of the government in 2021/22.

4.4 The outturn position is comprised of a number of elements as set out in the table below:

2022/23 Outturn	Adur £000	Worthing £000
Over/(under)spend in operational services – including share from Joint	1,770	3,563
Reduced borrowing requirement: A lower than forecast call on the MRP (provision to repay debt) and net interest in 2022/23, due to reprofiling of the capital programme.	(911)	(867)
Leisure Services VAT reclaim - net repayment after costs	-	(2,780)
Pay award - impact above budgeted allowance	392	606
Reduction in national insurance contribution rate	(30)	(45)
Net Overspend before Government Funding and Transfers to reserves	1,221	477
Non ring fenced Government grants	(27)	(41)
Outturn overspend before impact of taxation and transfer to/from reserves	1,194	436
Impact of Taxation		
Impact on NDR income from additional reliefs and appeals	(444)	1,208
Overspend before transfer to/(from) reserves	750	1,644
Transfers to(from) Reserves:		
Business rates smoothing reserve	-	(1,216)
Tax Guarantee smoothing reserve - contribution to Council Tax 2020/21 deficits funded over a three year period	(59)	(37)
Net Operational Over/(Underspend)	691	391
Transfer to / from (-) reserves to fund revenue expenditure	(681)	(1,169)
Outturn after total transfers to/(from) reserves	10	(778)

4.5 In summary the overall revenue outturn positions are as follows:

	Joint	Adur	Worthing
	£000	£000	£000
Current Budget	25,790	9,742	13,785
Outturn (Including funding and transfers to/from reserves)	28,379	9,752	13,007
	2,589	10	(778)
		0.0%	-6.0%

Comparison of outturn position to the Q3 forecast:

	Joint	Adur	Worthing
	£000	£000	£000
Outturn Over/(under)spend	2,589	10	(778)
Forecast Over/(under)spend Q3	2,912	382	2,100
Movement	(323)	(372)	(2,878)

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

4.7 The movement between the quarter 3 forecast report to members and the outturn position are due to higher business rate income than expected in Adur, and in Worthing the announcement that the VAT appeals associated with leisure services has been decided and in agreement with the local government claims.

4.8 The key factors underpinning the outturn financial position include:

- Car Parking Income - in Worthing the service income did not achieve budget, with a shortfall of £160,000. This was as a result of a slower than assumed recovery in 2022/23 from the pandemic. Income performance in Adur was on budget. In addition expenditure was £137k higher than the budget due to the increasing transactional costs associated with an increasing number of cashless payments. The final year end position was as predicted and reported at quarter 3.
- The government response to the cost of living crisis in the form of support through energy rebate payments created additional resourcing requirements

this together with the need to deal with the backlog work created whilst Covid grants were being processed has meant cost pressures have been incurred with the need to recruit temporary staff.

- Pay award - the national pay award was agreed with an increase of £1,925 to each spinal column pay point. This equated to an average pay increase of 5.82%, 3.82% higher than the 2% budgeted allowance creating an in year cost pressure of £972,000. This was partially offset by £75,000 with the 1.25% reduction in the employer national insurance contributions from November following the government decision to reverse the increase introduced at the start of April 2022 .
- Waste dispute - created additional cost pressures resulting from the negotiated changes following the waste dispute earlier in the financial year and agency costs being incurred to cover vacancies, holiday and sickness. In addition there was also a reduction in income against budget as a result of cancellations and refunds associated with the dispute. A report was taken to Joint Strategic Committee in June 2022 setting out for members the unbudgeted cost implications for the councils with approval to utilise the Capacity Issues Reserves of £209,020 in Adur and £371,590 in Worthing to support the identified cost pressures.
- Homelessness - caseload numbers (individuals, couples and families presenting themselves to the council in immediate housing crisis) have been consistently higher than expected during 2022/23 with 97 in Adur and 337 in Worthing at the end of March 2023 compared to 81 and 271 in the respective councils at the beginning of the financial year. The final outturn positions were overspends in the service of £437,000 in Adur and £544,000 in Worthing, this despite an increase in the 22/23 Adur budget of £150,000. This compares with the £247k and £703k respective overspends projected at quarter 3. To address the ongoing demand on the service an additional budget has been built into the 2023/24 budgets for both Councils (£381,000 Adur and £748,000 Worthing).
- An underspend in the Minimum Revenue Provision (MRP) and net interest payable and receivable budgets. These budgets are calculated on both the historic financing of previous years capital programmes and the impact of financing the current year's capital spend. Both councils have an underspend in the MRP budget due to reprofiling to 2022/23 of a proportion of the 2021/22 Capital Programme and the impact of changes to planned financing due to increased levels of capital receipts and capital grants both of which offset the need to borrow. The reduced need to borrow also translates into a

saving on interest payable. Furthermore, higher interest rates than assumed when setting the budget have also increased the income received from the council investments:

Over/(underspends)	Adur (General Fund)	Worthing
	£000	£000
Minimum Revenue Provision *	(469)	(302)
Interest payable on borrowing	(219)	(77)
Interest from investment income	(223)	(508)
Other financing costs	0	20
Total	(911)	(867)

* *The Minimum Revenue Provision (MRP) is a statutory charge to the revenue budget to provide for the repayment of debt. The budget is based on previous unfunded capital expenditure plus the estimated charge for the approved capital expenditure for the year.*

- Shortfall in net income from Worthing crematorium leading to an overspend against the bereavement service of £609,000. Although a substantial shortfall against the budget this is an improvement on the quarter 3 forecast of a £672k shortfall, in part due to cemetery income being £30k higher than projected.
- Worthing VAT Reclaim relating to Leisure Services - Worthing Borough Council has had a claim lodged (that stood behind three lead appeal cases Chelmsford City Council, Midlothian Council and Mid-Ulster District Council reflecting the different legal regimes in England and Wales, Scotland and Northern Ireland) for 12 years regarding the VAT treatment of sport and leisure services. The appeals concerned whether VAT is payable on the provision of local authority leisure services or treated as non-business as they are delivered under a special legal regime. The case has now been heard by all tribunal tiers and the decision found to be in agreement with the local authorities claims. This means that HMRC accepts that local authority leisure services in the UK are non-business supplied. Tax refunds for overpaid VAT will now be repayable by HMRC for the relevant periods 2007-2015 with. The net amount, after the KPMG advisory commission, is expected to be in the region of £2.78m, with the exact amount depending on the outcome of ongoing negotiations around some income streams (catering

and party hire), and the final interest calculation which has yet to be confirmed. The same opportunity did not exist for Adur District Council as the leisure service has been outsourced since 2005.

- Planning Income - Adur and Worthing have both experienced a reduction in applications that have led to a shortfall in income within the planning service departments as broken down in the table below.

Shortfall in income against budget	Adur	Worthing
	£000	£000
Building Control	83	67
Development Control	29	51
Land Charges	57	56
Total income shortfall	169	174

The outturn position is an improvement on the predicted income shortfalls reported in quarter 3 of £195k in Adur and £235k in Worthing. In addition to the shortfall in income there was also a significant overspend in costs £111,000 in Worthing associated with professional and legal fees related to a number of sites including Goring Gap, which is partly covered by an approved contribution from the Capacity Issues reserve of £42,927.

- Cross cutting

Utilities - as reported to members during the year the cost of energy has been a significant cost pressure for both councils. The outturn positions are overspends against both gas and electricity budgets for Adur and Worthing.

Overspend against budget	Adur	Worthing
	£000	£000
Gas	5	31
Electricity	45	199

Worthing has a larger number of public buildings where the cost of utility supply is the responsibility of the council, including the crematorium where there is a significant supply need to deliver the service.

Maintenance - expenditure budgets were as predicted in respect of over and underspend positions, the final outturn position was as follows compared to the quarter 3 forecast:

Over/(under)spend	Q3 Forecast	Outturn
	£000	£000
Joint	198	115
Adur	71	40
Worthing	(127)	(92)

- **Business Rates**

There is an inherent timing difference in the accounting for business rates between when the budget is set and future decisions made by Treasury in relation to reliefs where compensation is funded through section 31 funding. Local taxation is accounted for transparently through a separate account known as the Collection Fund with any differences between what is expected to be collected and what is actually collected by the authority accounted for through the general fund as surplus or deficit adjustments. An estimated surplus/deficit is calculated in January and that is used in the budget for the next financial year, any variance will then not flow through to the general fund until the following year.

The financial impact on the general fund in 2022/23 is shown below:

	Adur		Worthing	
	Budget	Outturn	Budget	Outturn
	£m	£m	£m	£m
Net income after tariff	2.186	2.191	2.304	2.344
Add: Section 31 grant	1.215	1.840	1.750	2.872
Add: Safety net payment	-	-	-	-0.471
Less: Levy 2022/23	-0.817	-0.622	-0.681	-
Less: Levy adjustment relating to prior years	-	-0.064	-	-0.376
Less: Recovery of estimated 2020/21 deficit	-	-0.366	-3.153	-3.153
Add: Withdrawal from Business Rates Smoothing / Local Income Tax Guarantee reserves to fund net deficit	-	-	3.153	1.215
Income expected from Business rates	<u>2.584</u>	<u>2.979</u>	<u>3.373</u>	<u>3.374</u>

Balance on Smoothing reserve 31 March 2022	1.766	3.307
Use of reserves in 2022/23	-	-1.215
Contribution to reserve in 2022/23	-	0.400
Balance on Smoothing reserve 31 March 2023	1.766	2.492
Expected use of reserve in 2023/24	-1.286	-2.492

Overall income from business rates in Adur was better than expected when setting the budget and no withdrawal from the smoothing reserves required in 2022/23. This is after over awarding £5m in mandatory and discretionary reliefs to businesses during the year. The closing balance on the reserve is sufficient to meet the overall projected deficit on the Collection Fund for 2023/24.

Business Rate income is volatile and can be affected by many factors: government decisions, changing use of commercial properties, valuations, appeals. The amount of income to benefit the General Fund is set at the outset of the financial year and will not change irrespective of the actual level of business rate income received. In 2022/23, the Government awarded significant additional reliefs in-year which generated a deficit within the collection fund which the Council will need to fund in 2024/25. However the balance on the Smoothing Reserve will be used over the next two years to fund the deficit on the Collection Fund.

- Local Tax Income Guarantee

The government committed to compensating Councils for any in-year losses for Council Tax and Business Rates in 2020/21. This scheme runs in parallel to the requirement for billing authorities to spread the in-year 2020/21 collection fund deficit over 3 years.

Given that these losses are being funded over a three year period by the precepting bodies, this grant is being used over the same period to ensure that these losses are offset in the year in which the Council will need to fund them. A prudent approach was adopted in 2020/21 when these funds were transferred to reserves. The use of the reserves in 2021/22 is as follows:

	Adur		Worthing	
	Council Tax	NNDR	Council Tax	NNDR
	£	£	£	£
Balance of Reserve 1 April 2022	118,666	0	72,180	229,769
Approved use 2022/23	59,000	0	37,000	0
Balance 31 March 2023	59,666	0	35,180	229,769
Approved planned use in 2023/24	59,666	0	35,180	229,769

5.0 ADUR HOUSING REVENUE ACCOUNT (HRA)

5.1 Adur Homes is held within a ring fenced Housing Revenue Account, which is shown in Appendix 4. Overall the HRA shows an overspend against its budget of £397,284 which is an improvement on the £578,149 overspend projected in quarter 3. The movement is mainly due to a review of the depreciation policy which has reduced the annual charge to the revenue budget by £610,000. This favourable variance is offset by continuing rental income losses as a result of increased void properties, along with increased repair costs.

5.2 The HRA Reserve stood at £1.045m at 31st March 2023 with earmarked reserves totalling £0.117m. This reflects the positive impact of the depreciation policy review, which was backdated to the prior financial year (2021/22).

6.0 TRANSFERS TO RESERVES

6.1 Movements and Use of Earmarked Reserves

As part of the 2022/23 final accounts process, officers have identified amounts that are recommended for transfer to reserves for specific purposes or planned as part of the budget process, as detailed below.

In 2022/23, both authorities drew down on reserves to fund other costs. A detailed breakdown of the reserve positions is included in **Appendix 2b** for Adur and **Appendix 3b** for Worthing.

Adur District Council:

Adur District Council transfers from General Fund Earmarked Reserves 2022/23		
Budgeted/Committed contributions to/(from) reserves:	£	£
<ul style="list-style-type: none"> • Decrease in Grants & Contributions Carried Forward • Self-insurance charges and proposed contributions • Approved use of reserves • Local Tax Income Guarantee 	<p>(289,435)</p> <p>(69,740)</p> <p>(321,498)</p> <p>(59,000)</p>	<p>(739,673)</p>
<p>Contribution from reserves from general overspend:</p> <ul style="list-style-type: none"> • General Fund overspend withdrawn from the General Fund Working Balance 	<p>(10,166)</p>	<p>(10,166)</p>
<p>Total recommended net withdrawals from Earmarked Reserves</p>		<p>(749,839)</p>

If all the proposals in the above table are adopted, Adur District Council's General Fund Working Balance will decrease to £1.041m which, at 10.7% of net expenditure of £9.752m, is just above the range of 6%-10% normally set by the Council. However, the working balance is being retained at this level to help mitigate the impact of the current inflationary pressures on the Council's overall finances.

In addition the Council would retain earmarked revenue reserves of £0.968m (excluding the revenue grants reserve, the Business Rates Smoothing Reserve and the Local Tax Income Guarantee), a decrease of £1.359m over 31st March, 2022. The full listing of earmarked reserves is attached at **Appendix 2b**.

Worthing Borough Council:

Worthing Borough Council net transfers from General Fund Earmarked Reserves 2022/23		
Budgeted/Committed contributions to/(from) reserves:	£	£
<ul style="list-style-type: none"> • Decrease in grants & contributions Carried Forward • Net withdrawal from Theatres Reserve • Approved use of reserves • Local Tax Income Guarantee • Self-insurance charges and proposed contributions • Withdrawal from Business Rates Smoothing Reserve 	(312,378) (31,497) (803,893) (37,000) (22,150) (1,215,763)	(2,422,681)
Transfer to reserves for general underspend: <ul style="list-style-type: none"> • Transfer to Business Rates Smoothing Reserve to fund future NDR losses • General Fund underspend transferred to Capacity Issues Reserve 	400,000 378,101	778,101
Total recommended net withdrawals from Earmarked Reserves		(1,644,580)

If all the proposals in the above table are adopted, Worthing Borough Council's General Fund Working Balance will increase to £1.347m which, at 10.4% of net expenditure of £13.007m, is above the range of 6%-10% normally set by the Council. However, the working balance is being retained at this level to help mitigate the impact of the current inflationary pressures on the Council's overall finances.

In addition the Council would retain earmarked revenue reserves of £1.992m (excluding the revenue grants reserve, the Business Rates Smoothing Reserve and the Local Tax Income Guarantee), a decrease of £0.479m over 31st March 2022. The full listing of earmarked reserves is attached at **Appendix 3b**.

7.0 MINIMUM REVENUE PROVISION (MRP) REQUIREMENT 2022/23 AND DEBT POSITION

MRP Requirement for 2022/23

7.1 The Local Authorities (Capital Finance and Accounting) (England)(Amendment) Regulations 2008 require the Councils to make a prudent provision within the accounts for repayment of debt. This provision is called the Minimum Revenue Provision (MRP) and is charged to revenue expenditure.

7.2 The Councils' MRP policy was approved by the Joint Strategic Committee at its meeting of 2nd June 2016 and was recommended for approval by Worthing Council at its meeting on 19th July 2016 and by Adur Council at its meeting on 21st July 2016. It was agreed that: firstly for any debt associated with unfunded capital expenditure incurred before 1st April 2008, the MRP will be set aside in equal instalments over the life of the associated debt.

This does not apply to Worthing Borough Council which had no debt as at 1st April 2008. Secondly, for both Councils' non-HRA capital expenditure which forms part of the Capital Financing Requirement (the CFR), (excluding loans to RSLs or other approved bodies), after 1st April 2008, the MRP will be calculated as the annual amount required to repay the CFR using the Annuity Method over the life of the assets acquired. The option remains to use additional revenue contributions or capital receipts to repay debt earlier. Where a building is being constructed, the MRP will be set aside once the building has been completed. The CFR is a prescribed calculation which is used to measure the Councils' underlying need to borrow to finance all capital expenditure.

7.3 The MRP policy will ensure that, by the time debts are due to be repaid, sufficient funds will have been set aside.

7.4 As MRP is applied in the year after that in which capital expenditure is funded from borrowing, the MRP for 2022/23 relates to unfunded expenditure incurred up to and including 31st March 2022. Voluntary MRP may be set aside, which can be offset in future years.

7.5 By applying the approved methodologies, described in paragraph 7.2, the following MRP determinations have been provided for in the 2022/23 accounts:

- For Adur District Council General Fund the MRP was £1,885,636. £10,000 of Voluntary MRP was offset. No Voluntary MRP was set aside for the HRA.

- For Worthing Borough Council the MRP was £1,853,450. £160,000 of Voluntary MRP was offset.

Debt Position at 31 March 2023

- 7.6 In recognition of the introduction of the HRA Self-Financing regime, the Councils' joint treasury management policy also includes a requirement to account separately for General Fund and HRA debt in accordance with the "two pool approach" recommended by CIPFA within the Treasury Management Code of Practice. This approach apportioned historic debt at 31 March 2012 between the HRA and General Fund in accordance with the Code guidance, and requires new borrowing from 1 April 2012 onwards to be attributed to either the General Fund or HRA according to the purpose for which it is obtained.
- 7.7 For Adur Council the separation of General Fund and HRA debt facilitates a comparison with the corresponding underlying need to borrow (the Capital Financing Requirement) i.e. capital expenditure not financed from internal resources. The purpose of the comparison is to enable General Fund and HRA treasury management decisions to be taken independently of each other, and in an equitable and transparent manner.
- 7.8 Accordingly, there follows a comparison of the respective debt outturn positions compared to the CFR for each Council, albeit that as Worthing does not have an HRA it therefore does not operate a two pool approach.

Debt Position at 31 March 2023	Adur District Council			Worthing BC
	General Fund	HRA	Total	General Fund Total
	£	£	£	£
Actual Long Term Debt 01/04/22	102,342,319	58,624,959	160,967,278	153,750,873
New Long Term Debt Raised in year	7,000,000	8,000,000	15,000,000	73,250,000
Long Term Debt Repaid in Year	(7,811,605)	(3,851,167)	(11,662,772)	(23,052,312)
Actual Long Term Debt 31/03/23	101,530,714	62,773,792	164,304,506	203,948,361

CFR v Long Term Debt Position at 31 March 2023	Adur District Council			Worthing BC
	General Fund	HRA	Total	General Fund Total
	£	£	£	£
Capital Financing Requirement (CFR)	106,797,904	66,652,570	173,450,474	206,400,045
(Over) / Under Borrowing	5,267,190	3,878,778	9,145,968	2,451,684

- 7.9 Adur also held the Parish Precept of £637,337 on behalf of Lancing Parish Council.
- 7.10 For Adur Council the General Fund is under-borrowed by approximately £5.267m. The HRA is under-borrowed by £3.879m. We have used this approach because, in the light of the cost of borrowing compared to the income from investments, we are opting to finance some of the capital expenditure through the use of internal resources. This position largely reflects the opening position at 1st April 2012 arising from the application of the two pool split, where-in the CIPFA methodology assumed the HRA was fully borrowed at the level of its CFR, so that any under or over borrowing at that time was fully attributed to the General Fund. The General Fund took out new long term borrowing to fund the capital programme and the refinancing of maturing debt.
- 7.11 Worthing is under-borrowed by £2.452m due to the use of internal resources as described above for Adur. New loans have been taken out in 2022-23 to fund economic regeneration projects, the capital programme and the refinancing of maturing debt.

8.0 ENGAGEMENT AND COMMUNICATION

- 8.1 The Corporate Leadership Team, Heads of Service and budget managers have all collaborated on the content of this report providing explanation and narrative on the outturn variances.

9.0 FINANCIAL IMPLICATIONS

- 9.1 There are no further financial implications. The report sets out the final outturn position with both Adur and Worthing presenting underspends against budget.

10.0 LEGAL IMPLICATIONS

10.1 Local authorities have a statutory duty under section 28 of the Local Government Act 2003, to monitor their income and expenditure against their budget, and be ready to take action if overspends or shortfalls in income emerge. Section 151 of the Local Government Act 1972 requires the Councils to make arrangements for the proper administration of their financial affairs.

11.0 CONCLUSION

11.1 The Councils have had a difficult year with additional pressures resulting from cost pressures from inflation, a pay award above that budgeted for the year and the impact of the waste dispute. As highlighted in section 4.4 the outturn position for Adur District Council is an overspend of £10k and for Worthing Borough Council an underspend of £778k.

11.2 As a direct result of the HMRC repayment expected from HMRC in relation to its leisure services claim Worthing is in a position of underspend at the end of the financial year and able to contribute to reserves. This is a significant improvement from the projected overspend forecast of £2.1m at quarter 3. This is very welcome at a time when local government faces ongoing financial pressures, including the reduction in central government funding and the ongoing strain on expenditure and income streams.

Background Papers:

Joint 'Final Revenue Budget Estimates 2022/23' Report

[JSC Agenda - February 2022](#)

Adur District Council 'Budget Estimates 2022/23 and Setting of the 2022/23 Council Tax' Report

[Adur District Council Public Document Pack - February 2022](#)

Worthing Overall Budget Estimates 2022/23 and Setting of 2022/23 Council Tax Report

[Worthing Borough Council Public Document Pack - February 2022](#)

Financial Performance 2021/22 - Revenue Outturn Report

[JSC Agenda - July 2022](#)

3rd Quarter Revenue Monitoring Report 2022/23

[Adur JSC Sub Committee Agenda - March 2023](#)

[Worthing JSC Sub Committee Agenda - March 2023](#)

Chief Executive's use of urgency powers to settle the waste dispute - report by the Chief Executive

[JSC Committee Agenda - June 2022](#)

Local Government Association Finance Peer Review and Improvement Action Plan

[LGA Finance Peer Review](#)

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Sustainability & Risk Assessment

- 1. Economic**
Matter considered and no issues identified

- 2. Social**
 - 2.1 Social Value**
Matter considered and no issues identified


 - 2.2 Equality Issues**
Matter considered and no issues identified


 - 2.3 Community Safety Issues (Section 17)**
Matter considered and no issues identified


 - 2.4 Human Rights Issues**
Matter considered and no issues identified


- 3. Environmental**
Matter considered and no issues identified


- 4. Governance**
Matter considered and no issues identified

 ADUR & WORTHING COUNCILS	ORIGINAL ESTIMATE 2022/23	CURRENT ESTIMATE 2022/23	OUTTURN 2022/23	((UNDER)/ OVERSPEND 2022/23
	£	£	£	£
Chief Executive	645,580	645,480	772,797	127,317
Director for Communities	9,014,030	8,886,940	10,448,039	1,561,099
Director for Digital & Resources	12,227,570	11,397,520	12,597,875	1,200,355
Director for the Economy	3,903,400	3,869,480	4,075,568	206,088
TOTAL SERVICES	25,790,580	24,799,420	27,894,278	3,094,858
ALLOCATION OF COSTS				
Recharged to Capital	(1,169,680)	-	(530,222)	(530,222)
Other Recharges to Joint		(178,520)	(198,537)	(20,017)
	24,620,900	24,620,900	27,165,518	2,544,618
Adur District Council	(9,933,310)	(9,933,310)	(10,897,237)	(963,927)
Worthing Borough Council	(14,687,590)	(14,687,590)	(16,268,282)	(1,580,692)
TOTAL SERVICE BLOCK ALLOCATIONS	(24,620,900)	(24,620,900)	(27,165,518)	(2,544,618)

 ADUR DISTRICT COUNCIL	ORIGINAL BUDGET 2022/23	CURRENT ESTIMATE 2022/23	OUTTURN 2022/23	Notional Capital Charges Variance	Support Service Recharge Variances	(Under) / Over Spend Excluding Support and Capital Charges
	£	£	£	£	£	£
CABINET MEMBER PORTFOLIOS						
Leader	771,920	771,920	704,985	(8,203)	351,155	(409,888)
CM for Environment	3,075,710	3,075,710	3,611,352	(4,558)	53,837	486,364
CM for Health & Wellbeing	1,360,290	1,360,290	1,531,276	(2,400)	120,825	52,561
CM for Customer Services	1,565,670	1,565,670	2,329,295	1,520	6,660	755,444
CM for Regeneration	1,748,630	1,748,630	1,982,718	(4,070)	203,821	34,337
CM for Resources	163,680	163,680	721,607	55,118	350,618	152,191
Holding Accounts	246,010	246,010	-	(30,650)	(1,086,916)	871,557
TOTAL CABINET MEMBER	8,931,910	8,931,910	10,881,233	6,757	-	1,942,566
Credit Back Depreciation	(1,534,510)	(1,534,510)	(1,541,257)	(6,757)		10
Minimum Revenue Provision	2,344,950	2,344,950	1,875,637			(469,313)
	9,742,350	9,742,350	11,215,613	-	-	1,473,263
Additional Non Ring Fenced Grants			(26,816)			(26,816)
Total Including additional grant funding			11,188,797	-	-	1,446,447
Adjustments for taxation						
Section 31 grants and Collection Fund adjustments			(444,163)			(444,163)
Total before transfer to/(from) reserves			10,744,634	-	-	1,002,284
Transfers to/from reserves:						
Tax Income Guarantee Reserve			(59,000)			(59,000)
Transfer (from) / to reserves to fund specific expenditure including REFCUS			(933,117)			(933,117)
Net Overspend Transferred (from) Reserves			(10,166)			(10,166)
Total Budget requirement before External Support from Government	9,742,350	9,742,350	9,742,350	-	-	(0)

 ADUR DISTRICT COUNCIL	Opening Balance 2022/23	Transfers Out 2022/23	Transfers In 2022/23	Closing Balance 2022/23
EARMARKED REVENUE RESERVE ACCOUNTS				
	£	£	£	£
Capacity Issues Reserve including approved Carry Forward budgets	831,053			
New Salts Farm Lancing (JSC/047/20-21 8 September 2020)		(33,802)		
Platinum Jubilee (JSC/87/21-22 8 Feb 2022)		(12,063)		
Funding of cost pressures on waste (07/06/22 JSC)		(209,020)		
Business Development fund		(88,077)	-	
HRA Transformation costs - HR		(9,615)		
Senior Management Restructure		(37,072)		
Balance				441,405
Insurance Fund	152,699	(100,440)	30,700	82,959
Business Rates Smoothing Reserve	1,765,540			1,765,540
Local Tax Income Guarantee	118,666	(59,000)		59,666
Grants and Contributions held in Reserves	1,203,102	(481,285)	191,849	913,666
Property Investment Risk Reserve	375,674	-		375,674
Risk Reserve - Exit Costs			68,150	
Projected Underspend/(Overspend) (Reserve to be identified at outturn)		(10,166)		(10,166)
General Fund Reserve	1,051,497	-	-	1,051,497
TOTALS	5,498,231	(1,040,539)	290,699	4,748,391

 WORTHING BOROUGH COUNCIL	ORIGINAL BUDGET 2022/23	CURRENT BUDGET 2022/23	OUTTURN 2022/23	Notional Capital Charges Variance	Support Service Recharge Variances	(Under) / Over Spend Excluding Support and Capital Charges
	£	£	£	£	£	£
CABINET MEMBER PORTFOLIOS						
Leader	794,730	794,730	985,506	(180)	4,279	186,677
CM for Environment	3,413,060	3,413,060	4,898,300	(21,598)	658,375	848,462
CM for Community Wellbeing	899,210	899,210	930,829	420	(4,010)	35,209
CM for Citizen Services	3,419,340	3,419,340	5,120,413	203,630	185,960	1,311,482
CM for Regeneration	2,431,070	2,431,070	3,127,961	78,125	447,886	170,880
CM for Resources	203,720	203,720	(2,724,355)	134,925	398,393	(3,461,393)
CM for Culture & Leisure	4,166,310	4,166,310	4,438,618	(268,070)	122,533	417,846
CM for Climate & Emergency	124,450	124,450	128,178	-	3,728	-
Holding Accounts	411,200	411,200	-	(89,698)	(1,817,144)	1,495,642
TOTAL CABINET MEMBER	15,863,090	15,863,090	16,905,448	37,553	-	1,004,805
Credit Back Depreciation	(4,160,620)	(4,160,620)	(4,198,163)	(37,553)		10
Minimum Revenue Provision	1,995,930	1,995,930	1,693,450			(302,480)
	13,698,400	13,698,400	14,400,735	-		702,335
Additional Non Ring Fenced Grants			(40,791)			(40,791)
Total Including additional grant funding			14,359,944	-	-	661,544
Adjustments for Taxation						
Section 31 grants and Collection Fund adjustments			1,208,153			1,208,153
Total before transfer to/(from) reserves			15,568,097	-	-	1,869,697
Transfer to/from reserves:						
Tax Income Guarantee Reserve			(37,000)			(37,000)
Business Rates Smoothing reserve			(1,215,763)			(1,215,763)
Transfer (from)/to reserves to fund specific expenditure including REFCUS	86,250	86,250	(1,308,786)			(1,395,036)
Contribution to Business Rates Smoothing Reserve	-	-	400,000			400,000
Contribution to Capacity Issue Reserve	-	-	378,101			378,101
Net Overspend Transferred (from)/to Reserves			778,101	-	-	778,101
Total Budget requirement before External Support from Government	13,784,650	13,784,650	13,784,650	-		(0)

 WORTHING BOROUGH COUNCIL EARMARKED REVENUE RESERVE ACCOUNTS	Opening Balance 2022/23	Transfers Out 2022/23	Transfers In 2022/23	Closing Balance 2022/23
	£	£	£	£
Capacity Issues Reserve including approved Carry Forward budgets	1,308,326			
Teville Gate housing initial project costs (03/11/2020 JSC/71/20-21)		(38,375)		
Hardship Fund Contribution (11/01/22 JSC/77/21-22)		(46,264)		
Contribution to foodbank		(53,736)		
Platinum Jubilee (08/02/22 JSC/87/21-22)		(14,361)		
Funding of cost pressures on the Waste service (07/06/2022 JSC)		(371,950)		
Resourcing of community engagement, inclusion and participation activities (JSS-C(W)/4/22-23 5 July 2022)		(22,691)		
Business Development Fund		(145,920)		
Local Plan examination costs		(42,927)		
HRA Transformation - HR support		(14,423)		
Senior Management Restructure		(55,608)		
S106 Funding - Land west of Worthing Station			1,500	
Balance				503,571
Insurance Reserve	252,394	(52,150)	30,000	230,244
Leisure Lottery & Other Partnerships - 01/02/18 JSC/092/17-18 for Museum Costume Research Centre	27,766	0		27,766
Museum reserve	106,396	(31,497)		74,899
Business Rates Smoothing Reserve	3,307,389	(1,215,763)	400,000	2,491,626
Local Tax Income Guarantee	301,949	(37,000)		264,949
Property Investment Risk Reserve	450,000			450,000
Building Maintenance Reserve	326,259	(67,289)		258,970
Risk Reserve - Exit Costs	0		68,150	68,150
Grants & Contributions	1,066,798	(642,648)	330,271	754,421
Projected Underspend/ (Overspend) - net of £400k contribution from underspend to Business Rates Smoothing Reserve		(400,000)	778,101	378,101
General Fund Working Balance	1,347,348			1,347,348
TOTAL	8,494,625	(3,252,602)	1,608,022	6,850,045

HOUSING REVENUE ACCOUNT SUMMARY	ORIGINAL BUDGET	FORECAST ACTUAL	VARIANCE
	£	£	£
EXPENDITURE			
General Management	4,075,920	4,208,127	132,207
Special Services	748,080	755,596	7,516
Rent, Rates, Taxes & Other Charges	61,100	202,845	141,745
Repairs & Maintenance	3,008,370	3,094,610	86,240
Bad/Doubtful Debt	50,000	66,870	16,870
Capital Financing Costs			
Depreciation and Revenue Contribution to Capital	4,421,760	3,811,275	(610,485)
Interest charges	2,262,200	2,201,195	(61,005)
TOTAL EXPENDITURE	14,627,430	14,340,519	(286,911)
INCOME			
Dwelling Rents	(12,750,170)	(12,265,956)	484,214
Non-Dwelling Rents	(550,480)	(494,746)	55,734
Heating and Other Service Charges	(623,110)	(494,833)	128,277
Leaseholder Service Charges	(265,940)	(216,436)	49,504
Interest Received	(28,000)	(61,534)	(33,534)
TOTAL INCOME	(14,217,700)	(13,533,505)	684,195
NET (SURPLUS)/DEFICIT -TFR (TO)/FROM HRA GENERAL RESERVE	409,730	807,014	397,284

HRA Financial Issues 2022/23 – Q4 outturn**Outturn Variances compared to Q3 Forecast**

The table below provides a summary of the main HRA budget variances.

Service Area	Q3 Forecast	Q3 Forecast Variance to Budget	Q4 Outturn	Q4 Variance to Budget
Dwelling Voids	Current voids at end Jan = 103 (excluding Ashcroft and Inner Rooms) (4.1% of total stock) Avg loss of £10,300/wk	£420,000	Voids at end of March = 112 (excluding Ashcroft and Inner Rooms) (4.5% of total stock) Avg loss of £12,300/wk.	£484,000
Garage Voids	Current voids at end Oct = 339 (31% of total stock) Avg loss of £3,800/wk	£56,000	Voids at end of March = 340 (31% of total stock) Avg loss of £3,700/wk	£56,000
Service Charges	Proportionate effect of void loss, along with a delay in setting electrical and asbestos inspection charges (matching under spend in repairs & maintenance expenditure).	£120,000	Proportionate effect of void loss, along with a delay in setting electrical and asbestos inspection charges (matching under spend in repairs & maintenance expenditure).	£178,000
Staffing Costs	Flat rate increase of £1,925 per head.	£70,000	Flat rate increase of £1,925 per head.	£70,000
Staffing Costs	Some vacancy saving can now be seen, as vacancies have arisen in the second half of the year and been held vacant.	£50,000	The full vacancy provision was met due to continuing vacancies in the Neighbourhood Services and Systems teams and additional allocations of relevant staff to Capital projects.	(£79,000)
Council Tax	Over spend of £79k forecast due to increased void numbers.	£79,000	Council Tax costs have continued to increase due to	£145,000

			the high level of void properties.	
Repairs & Maintenance	An underspend of £143k was forecast, due to delays in contract award for electrical and asbestos inspections.	(£143,000)	There have been some significant subcontractor costs in the fourth quarter, notably £58k for fire damage works.	£102,000
Central Support Recharges	No variance anticipated.	-	Additional costs.	£124,000
Depreciation	No variance anticipated.	-	Reduced cost of depreciation due to a review of the policy.	(£610,000)
Interest Payable	Due to slippage in the capital programme and the ability to capitalise interest payments in connection with Albion Street, lower borrowing costs are now anticipated.	(£67,000)	Due to slippage in the capital programme and the ability to capitalise interest payments in connection with Albion Street, lower borrowing costs are now anticipated.	(£61,000)
Interest Receivable	Due to interest rate rises, additional income is expected.	(£42,000)	Additional income due to interest rate rises	(£34,000)
Other	Other variances	(£28,852)	Other variances	£22,284
	FORECAST OVER SPEND	£578,148	OVER SPEND	£397,284
	DEFICIT BUDGET	£409,730	DEFICIT BUDGET	£409,730
	FORECAST IMPACT ON RESERVES	£987,878	IMPACT ON RESERVES	£807,014

Reserve Balances

- The HRA general and earmarked reserves have been drawn upon in recent years in order to maintain service levels when the government's rent reduction policy required a 1% per annum reduction between 2016/17 and 2019/20. Since the 2020/21 budget, rent increases have been capped at CPI + 1% but this has not yet been enough to counter cost pressures and bring us back to a balanced budget position.

- This rent policy and ongoing cost pressures have reduced the level of reserves significantly over the last six years. The table below sets out the opening reserve balances as at 1st April 2022, restated in light of the backdated depreciation policy adjustments.
- The New Development Reserve balance is committed to development appraisal work at Southwick, the other closing balances are not now committed to any specific project.

HRA Reserves	Opening Balance 22/23	Spend	Closing Balance 22/23
General Reserve	£ 1,852,243	£ 807,014	£ 1,045,229
Discretionary Assistance Fund	£ 115,627	£ 114,156	£ 1,471
New Development Reserve [committed to Southwick development]	£ 352,100	£ 321,200	£ 30,900
Business Improvement Reserve	£ 91,664	£ 7,488	£ 84,176
	£ 2,411,634	£ 1,249,858	£ 1,161,776

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ADUR & WORTHING
COUNCILS

Joint Strategic Committee
11 July 2023

Joint Overview & Scrutiny Committee
7 September 2023

Key Decision [Yes/No]

Ward(s) Affected: All

Developing a revenue budget for 2024/25 in difficult economic circumstances

Report by the Director for Sustainability & Resources

Executive Summary

1. Purpose

- 1.1 The purpose of this report is to propose a budget strategy for the development of the 2024/25 budgets. When the 2023/24 budget was set, there was a clear expectation that inflation rates would begin to fall throughout 2023 with an associated reduction in interest rates. However inflation has remained stubbornly high and has only just started to reduce with impacts on our pay, contracts and our treasury management costs.
- 1.2 It has been a long time since the Councils have had any certainty during budget setting. Having come through a pandemic and one very difficult year, the Councils now have to address the challenge of extended inflationary pressures which continues to impact on our budgets.
- 1.3 The local government funding review is now looking likely to be deferred until after the next parliamentary election in 2024, consequently there is unlikely to be any change until 2026/27. The difficult economic climate continues to influence a number of budget lines, from pay to income for services such as car parks which will need to be reassessed as we balance our budget.
- 1.4 The Councils have had a clear strategy for facing the challenges of rapidly changing local government finance. It is now important to build on this strategy to meet the new and emerging challenges but within the context of supporting our local communities and economies.

- 1.5 Now more than ever, careful financial management is required to ensure that we manage both the emerging in-year pressures and the implications for the future, whilst driving forward with our plans for the future. Our financial strategy will need to include managed and prudent increases in council tax, and a clear focus on driving efficiency and productivity.
- 1.6 This report aims to set out how the Councils will address the challenges of the next few years, outlining the revenue forecast and setting out our strategic response to the challenges ahead. With the detailed budget proposals for 2024/25 coming forward to the Joint Strategic Committee in December, this report sets out the broader context for the detailed work that will be undertaken over the intervening months.
- 1.7 As set out in the following pages, the Councils will be increasingly reliant on council tax income, business rate income, and our own income generating services. Our Councils have a good track record in innovation, working creatively in partnership, and transforming our digital capabilities, so that we have capacity to continue to deliver our aspirations for our Councils.
- 1.8 Work has been underway for some time to address our financial challenges for 2024/25 and beyond. This will continue over the summer and autumn, and the Organisational Leadership Team will be working to produce new financial plans designed to deliver a balanced budget over the next 3 years. The outcome of the service planning process will be presented to the Joint Strategic Committee for approval in December 2023 as part of the development of the 2024/25 budget.
- 1.9 In line with the recommendations outlined in Item 12 this budget strategy is written with the assumption that we continue to maximise the benefits from the shared service with a joint revenue budget while continuing to create separate capital programmes for each Council. Attention has been paid to where priorities differ and where relevant attention will be drawn to differences of approach.

2. Recommendations

- 2.1 The Joint Strategic Committee is recommended to:
 - (a) Note the report and the outline 5-year forecasts in Appendix 3;
 - (b) Approve the proposed budget process as set out in section 6 of the report;

(c) **Recommend** to the Councils to approve the Budget Strategy for 2023/24 outlined in Section 9 of the report.

2.2 The Joint Overview and Scrutiny Committee is asked to note the content of the report.

3. Current position in 2023/24

3.1.1 Since the budget was set in February, there have been some significant issues which influence the Councils financial prospects for both the coming year and 2024/25 onwards. Below are details of the preliminary assessment of the impact of these issues.

1. Impact of current economic factors

Inflation rates have remained higher for longer than expected. The current inflation rate will have a profound impact on the Councils' budgets. It is expected that inflation will continue to remain high for this year although there are signs that it is beginning to reduce. By the year end rates are expected to be in the region of 5% and reduce back to 2% by the end of 2024. Against this backdrop the annual pay award will be negotiated.

Firstly, we now anticipate that the pay award for 2023/24 may exceed 7%. The current offer is equivalent to 5.7% and two of the three Unions have rejected the pay award whilst the third is currently balloting on the offer. Consequently, we are providing for an average 7.7% pay award for 2023/24 as we expect there to be an extended negotiation. Our budget contained an allowance of 4.5%, this will cost the Councils approximately £0.8m per year based on an in-year award of an average 7.7% (Adur £313,000 and Worthing £469,000).

As inflationary pressures are expected to be sustained for longer, included within the forecast is an allowance of 4.5% for the 2024/25 pay award which increases pay costs by over £680,000.

The current high level of inflation will also influence the cost of any contract renewals and so the Council will have to address any significant price increases arising, For example the Councils have already seen significant increase in the cost of the recently renewed insurance contract (see item 9).

Energy markets are calming and wholesale prices reducing. Whilst it is unlikely that prices will reduce to the previous levels, the Councils may see a reduction in overall cost. This will be reassessed over the Summer and if appropriate any saving will be built into the budget.

2. Delay to the funding review

The funding review is now expected to be delayed a further year. The Council is waiting to be notified of the Council Tax referendum limit for 2024/25. In most financial years this is constrained to 2%, however it was increased for 2023/24 to 3% which may be extended for a further year.

However, for now, we should plan for a 2% limit.

As a result of the new pressures, our financial position is worsening both in the current financial year and next year. Within 2023/24 we are now expecting to overspend largely to do with inflationary pressures.

2023/24 - Impact of pressures in the current financial year:

The potential impact of the identified pressures in 2023/24 is as follows:

	Adur £'000	Worthing £'000	Total £'000
Salary and pay pressures	438	656	1,094
Other inflationary pressures	145	173	318
Commercial income pressures	12	503	515
Total identified pressures	595	1,332	1,927
Less: Contingency budgets	-250	-152	-150
Net identified pressures	345	1,180	1,777

However, this is based on information early in the year and so the position will inevitably change as the year progresses. Full monitoring report for the first quarter of the financial year will be presented to members in September which will update the forecast for 2023/24.

Like last year, it is critical that our financial position is closely monitored. To help support the budget in 2023/24 the following measures have been implemented:

1. Any underspend from 2022/23 is placed in the reserves with the express intention of supporting the in-year position. To maximise the amount available, we will minimise any carry forward requests of underspend this year.
2. Any emerging underspend in the current year 2023/24 will be held corporately to manage in-year pressures.
3. All major projects / contracts are put on hold unless it is an initiative that either:
 - a. Improves our financial position; or
 - b. We are committed to delivery via a funding agreement; or
 - c. We are already contractually committed to the project; or
 - d. Addresses health and safety concerns; or
 - e. Addresses resilience or improves productivity; or
 - f. The project is identified as a key priority in the corporate strategy.
4. Vacancy control measures have been introduced for all posts including agency staff and will continue in this budget year. This will also support the budget measures required to balance the 2024/25 budget.

3.1.2 In addition, the Councils have continued to maintain reserves with which to mitigate this risk. It is currently estimated that the Council will have the following unallocated reserves available to manage the shortfalls emerging:

Unallocated resources	Adur £'000	Worthing £'000
Working balance	1,041	1,347
Capacity Issues Reserves	441	882
	1,481	2,229

Given the relatively low level of reserves, these will need to be carefully managed to ensure that they remain available to support our financial position and a strategy implemented to ensure that the position improves with time.

4. **2024/25 and beyond**

- 4.1 Both Councils have successfully managed to maintain a balanced budget over recent years despite the considerable financial challenges presented by the withdrawal of Government funding and the pandemic. Council Tax increases have been kept to a minimum.

- 4.2 However, the financial pressure continues with the current inflationary pressures presenting the Councils with significant new challenges. Revenue support grant has already disappeared; New Homes Bonus has now been virtually phased out with no indication of whether it will be one more year in 2024/25; and the Councils expect a reduction in the level of retained business rates when the business rate system is eventually reset as part of the funding review. Local Government funding has changed considerably since 2010 and the current system is no longer fit for purpose having had no major review in over 13 years despite a government commitment to overhaul the system. There is no expectation of any change now until after the General Election in 2024 and so no change is expected for the 2025/26 year and possibly later.
- 4.4 Members are being asked to consider the budget strategy at an early point in the year to enable the Councils to plan ahead. There are clear advantages in this approach, not least because it gives members and officers a good understanding of the overall financial position of the Council as well as giving sufficient time to consider how the challenges identified will be met. This provides the opportunity for the corporate plan process to reflect the budget strategy and for prioritisation work to be robust.

4.5 Funding from taxation

4.5.1 National context and external factors

Over the last decade the Councils have seen a considerable reduction in the level of funding from the Government. For 2023/24, there was yet another 1 year settlement with the funding review delayed until the next parliament. However, from the policy statement made earlier in December 2022, it was clear that “the core settlement will continue in a similar manner for 2024-25 and that the major grants would continue as set out for 2023-24.”

The Chancellor's Budget on the 15th March held little for local government. However there was additional funding for local swimming pools announced (£60m) and support for Council Homes through a reduced PWLB borrowing rate for investment within the HRA which will be 0.40% lower than other borrowing.

Consequently, the Councils should not expect any increase to funding beyond that already announced to address any new spending pressures such as that caused by inflation.

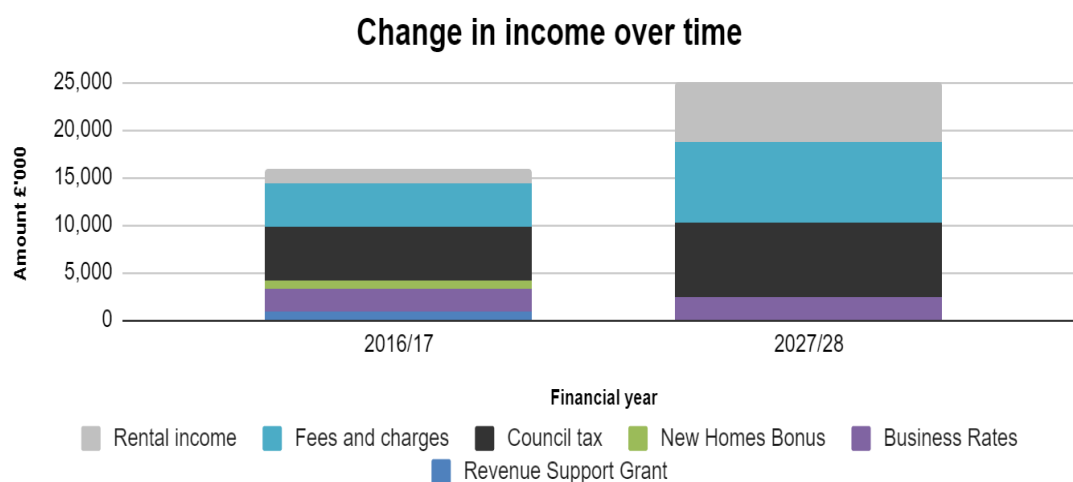
4.5.2 How the Councils are funded:

The Councils receive three distinct funding streams from taxation which are discussed more fully later in the report:

- Business Rates;

- New Homes Bonus; and
- Council Tax

Revenue Support Grant (RSG) has ceased to be a funding source for the Councils and the underlying make-up of funding to the Councils continues to change rapidly with increasing proportions coming from fees and charges, rental income, Council Tax and the Business Rate Retention Scheme. New Homes Bonus has been substantially reduced and has been phased out, the only question is whether there will be any further one-off grants available until the funding review.



(Using Adur as an example)

These changes to local government funding have influenced how the Councils view both the building of new homes and the creation of new employment space. The Councils are taking a proactive role in enabling the provision of both new homes and employment space through our strategies, whether this is through the provision of new office space to attract high quality employers or through working with others to facilitate the development of sites within our areas to meet local needs.

4.5.6 Income from Business Rates

Under the current business rate retention scheme, District and Borough Councils are entitled to retain a 40% share of the business rate income raised locally. However the system is complex, with the share retained being reduced by a series of nationally determined adjustments (the Tariff and the levy).

Ultimately the Scheme allows councils to keep a small element (20%) of any growth in business rate income over a retained 'baseline' amount. The forecasting of overall business rate income is always difficult due to two factors which are discussed in more detail below:

- i) The impact of the appeals arising from the national business rate revaluation in 2022.
- ii) The potential further reform of the business rate system and the impact of the funding review.

The forecasts contained within the report are based on the current business rate system but with the assumption that there will be a progressive loss of surplus Business Rate income from 2026/27 onwards, however this is dependent on the progress of the Funding Review (FR). This is an improvement on previous forecasts which had assumed that the Councils would receive less business rate income in 2024/25 due to the implementation of the FR.

Overall the business rate income is expected to increase by 5% in 2024/25 as the increase reflects the CPI in September thereafter it is expected to increase by 2% in line with Bank of England forecasts of inflation rates.

There are three aspects of this scheme which will ultimately influence the amount of business rate income retained locally and also the Councils' budgets in the medium term:

1. The 'Tariff':

Whilst the Councils are entitled to retain 40% of all business rate income, they are then obliged to pay over a substantial element of these retained business rates to the Government via an adjustment known as the Tariff. The 'Tariff' is due to be reset as part of the funding review as the assumption for budgeting purposes is that this will increase by inflation for 2024/25. However the scale and timing of any adjustment to the tariff beyond 2025/26 is difficult to quantify at the moment due to the uncertainties around the fairer funding review.

2. Target income from Business Rates (Baseline funding):

Every year the Councils are set a target by the Government of how much business rates to collect. If this target is exceeded, the Council can keep 20% of the extra income in addition to the baseline funding amount. If there is a shortfall, then the Councils will have to make up 40% of the difference, although the maximum loss of income is limited to 7.5% of baseline funding.

The Councils have developed a five year model for business rate income which underpins the medium term financial plan. This includes the impact of larger developments currently being built, known changes to the rateable values and any new charitable reliefs being awarded. A summary of the expected additional business rates is detailed below:

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Adur						
Baseline funding	1,832	1,924	1,962	2,001	2,041	2,082
Retained surplus rates	1,066	1,457	1,479	1,135	772	393
Total business rate income kept locally	2,898	3,381	3,441	3,136	2,813	2,475
Net business rate income collected	19,562	19,855	20,242	20,627	21,063	21,493
Percentage retained locally	14.81%	15.23%	15.23%	13.84%	12.46%	11.07%

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Worthing						
Baseline funding	2,793	2,933	2,992	3,052	3,113	3,175
Retained surplus rates	576	1,172	1,315	1,010	687	349
Total business rate income kept locally	3,369	4,105	4,307	4,062	3,800	3,524
Net business rate income collected	28,428	29,067	29,634	30,196	30,834	31,466
Percentage retained locally	11.85%	13.19%	13.14%	12.38%	11.60%	10.85%

Members should be aware that there is significant volatility around aspects of the system, such as appeals, which make it difficult to forecast income with accuracy.

One of the features of this system is that the Councils determine how much Business Rate income that they are entitled to from the Collection Fund at the outset of the new financial year. Once set, this total cannot be changed irrespective of any changes to the net business rate income within the year. Any surplus or deficit, due to changes in the business rate income, will be adjusted for in future years. This is similar to how Council Tax is treated.

It is intended to refine the forecast of the business rate income over the coming months and to project forward the impact of new developments where planning permission has been granted but building has not yet started. There are a number of new developments in progress or recently

delivered which will ultimately benefit the business rate income for both Councils. These include:

- New Monks Farm site in Adur – The development includes employment led and will benefit Adur once built.
- Free Wharf, Western Harbour Arm in Adur includes new commercial floorspace and is likely to be completed by 2023
- Union Place in Worthing – The development will take 3 – 4 years to complete once planning permission has been granted.
- Teville Gate in Worthing – This key development site is currently being progressed. The development will take 3 – 4 years to complete once planning permission has been granted.
- Decoy Farm in Worthing – This key development site is earmarked for employment space. The development will take 3 – 4 years to complete once planning permission has been granted.

Clearly, if the business rate income improves in 2023/24, then the increase could be used to support the budget in 2024/25. An update to the likely surplus or deficit will be undertaken later in the year.

4.5.7 New Homes Bonus

The Coalition Government introduced the New Homes Bonus (NHB) in 2011/12 which was specifically targeted at rewarding increases in the number of homes included in the Council Tax base, dealing with empty properties, and increasing the supply of affordable homes.

This scheme is now being phased out, with the New Homes Bonus generated in 2023/24 being paid for one year only (Adur £156,520 and Worthing £155,670). At present there are no indications of whether there will be any further funding. Given the transitional nature of NHB, it is proposed that if any further grant is forthcoming that it is used to create a contingency budget.

New Homes Bonus	2023/24	2024/25 and beyond
	£'000	£'000
Adur	74	0
Worthing	125	0

4.5.8 Council Tax

Council Tax is now the Councils' major source of general income from taxation. It is now 66% of the total taxation income received by Adur District Council and 69% of the income received by Worthing Borough Council. Consequently, there is an ever increasing strategic significance to the annual debate of how much to increase the Council Tax by.

The Councils have kept increases to a minimum over the past years. However, the Councils are well aware of the long term consequences of these decisions. Looking ahead the decision whether or not to increase Council Tax will have inevitable consequences for the Councils.

Clearly the loss of income will have an impact on the budget shortfall which would add to the level of savings required for the future.

However, the decision whether to freeze Council Tax is a finely balanced one. The Councils have a policy of keeping Council Tax low and the cost of freezing council tax in any particular year is fairly low, but the cumulative impact is more significant. Therefore the Councils are faced with the dilemma of increasing Council Tax or finding additional savings to support a Council Tax freeze. This is particularly pertinent in the next two years when the Councils have to find savings of over £5.0m.

Finally, Members are reminded that there is a referendum limit. The limit announced last year was the higher of 3.00% or £5.00 per Band D property. At this time we do not know the referendum limit for the 2024/25 Council Tax increase.

The Consumer Price Index (CPI) was 8.7% in May 2023 although this is expected to decrease over the forthcoming months. Consequently Councils may be able to increase Council Tax at a higher rate.

However there are no indications whether the government will be willing to allow a higher threshold for 2024/25 in light of the inflationary pressures on Councils. Consequently for the purposes of planning it is assumed that the limit will be retained at 2%. A 2% increase would be equivalent to £6.74 per year for a Band D property in Adur and £5.46 per year for a Band D property in Worthing.

So, even if the councils were minded to increase Council Tax, there is an imposed limit on the actual increase that the councils can make. Members should be aware that a 1% change in Council Tax is equivalent to £71,240 in Adur and £102,730 in Worthing for 2024/25.

The current outline forecasts assume that both the Councils will set the following increases over the next 5 years:

2024/25	2025/26	2026/27	2027/28	2028/29
2.0%	2.0%	2.0%	2.0%	2.0%

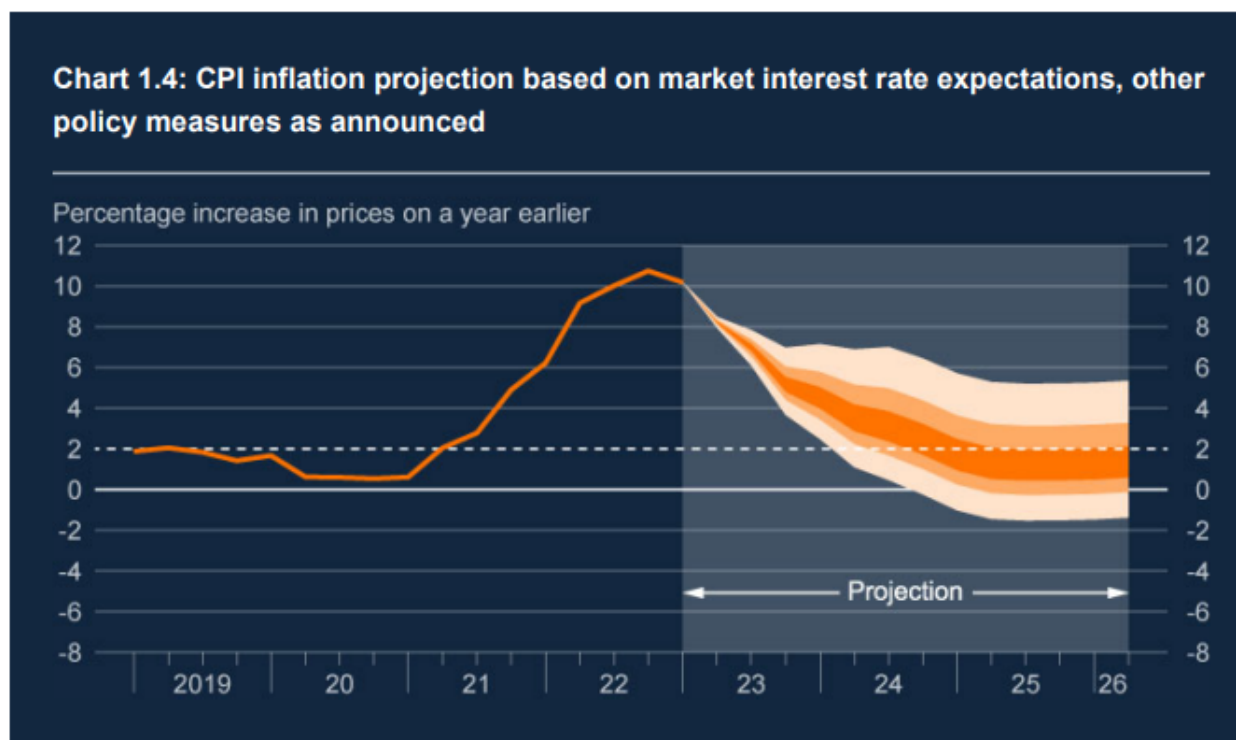
Each Council will take individual decisions regarding the level of tax to be set. The final rate will depend on the progress in developing a balanced budget and the individual choices of each authority.

4.6. Other budget pressures in the next 5 years

4.6.1 In addition to the pressures identified above, the Councils have a number of key financial issues that need to be addressed over the coming 5 years. Most of these were highlighted in the revenue budget report presented to Members earlier this year, and arise not from increasing service levels or delivering new services, but simply from maintaining current services. The most significant of these impacts are detailed below:

4.6.2 Pay and Prices

4.6.2.1 The largest source of immediate cost pressure in any given year comes from inflation. General inflation is currently at 8.7% (CPI) which is significantly above the target 2% set by the Bank of England. The Bank of England expects the rate to fall back to 2% over a two year period.



Source: Monetary Policy Report - May 2023

The high inflationary pressures will influence the pay negotiations for both this and next year. These pressures not only impact on the Councils but will impact on our contractors and so we should provide for an increase to our major contractual arrangements as well.

4.6.2.2 In addition to general inflation, the Councils will need to allow for any pay award for 2024/25. Inflation is set to remain at a high level for some time to come consequently the budget is allowing for a 4.5% pay increase in 2024/25 with rates not expected to return to around 2% until 2025/26 at the earliest. The inflation provision will be reviewed on an annual basis and amended for 2025/26 and beyond if needed when the MTFP is reviewed next year.

4.6.2.3 The following pay and price inflation allowances have been built into the 5-year forecast which reflects the forecast provided by the Bank of England:

	2024/25	2025/26	2026/27	2027/28	2028/29
	%	%	%	%	%
Pay*	4.5	2	2	2	2
Supplies and** Services	3	2	2	2	2
Income	3	2	2	2	2

* An additional allowance for increments has been included in each of the budgets as follows:

Adur	Worthing	Joint Strategic Committee
£'000	£'000	£'000
5	10	235

Increment costs vary year on year due to the impact of re-gradings and recruitment. This is reassessed annually.

Overall net pay and price inflation is expected to add to the 2023/34 base budget over the next 5 years as follows:

	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Adur*	939	1,281	1,622	1,957	2,298
Worthing*	1,451	1,995	2,539	3,073	3,618
Note:					
Joint Services * (included above)	2,253	3,054	3,853	4,635	5,434

★ This excludes the impact of the new insurance contract which has been separately budgeted for. The contract has increased by £135k for Adur District Council and £161k for Worthing Borough Council.

Income is assumed to increase by 3.0% in 2024/25 which will help to offset the inflationary pressures.

It is difficult to be certain about inflation for 2024/25 particularly in relation to pay at this early point in the year. A 1% difference in the inflation assumptions is equivalent to:

	Adur	Worthing	Joint
	£'000	£'000	£'000
Pay	5	9	267
Supplies and Services	21	110	19
Income	-28	-98	-32
Total	-2	21	254
Share of joint inflation	102	152	-254
OVERALL TOTAL	100	173	-

4.6.3 Interest rates

The bank interest rates have increased consistently throughout 2022/23 and 2023/24 although as the inflation begins to fall, there is an expectation that the interest rates will begin to fall. The base rate is currently 5% in comparison our cash investments in the CCLA property funds currently yield about 4%. These rates will influence both the returns that the Council is likely to get on any cash investments and the cost of any borrowing associated with the capital programme. There is considerable uncertainty at the moment about interest rates and our treasury advisors indicate that they will stay relatively low for a longer period of time. Built into the 5 year forecasts are the following assumptions regarding average investment yields:

	2024/25	2025/26	2026/27	2027/28	2028/29
Average interest yield	4.42%	3.17%	2.33%	2.33%	2.33%

Each 0.5% change in interest rates is equivalent to £50,000 (based on £10,000,000 investments).

4.6.4 Impact of strategic priorities on the Councils budget:

4.6.4.1 Contained within the Medium Term Financial Plan are a number of commitments relating to the delivery of the Councils agreed priorities. These draw from the commitments made by the two administrations as well as joint commitments which are contained in 'Our Plan'. These are due to be reviewed as part of the annual planning process and so may be changed or reprofiled. In summary the amounts currently provided are:

Impact of delivering our priorities	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Adur District Council					
Heat Network	10	10	10	10	10
Nature restoration projects	100	100	100	100	100
Total	110	110	110	110	110

	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Worthing Borough Council					
Brooklands improvement programme - net costs	16	20	20	20	20
Heat Network (Low carbon heat)	121	225	225	225	225
Redevelopment of Union Place - Phase 1					
Loss of income from High Street surface car park	52	52	52	52	52
Other costs	5	5	5	5	5
Teville Gate - MRP costs if not sold	-	73	75	77	77
Grafton Site - Loss of income	-	83	83	83	83
General provision for future impact of new policy commitments	-	-	200	400	400
Total	218	848	1,068	1,268	1,268

4.6.4.2 Impact of the new Environment Act

The new Environment Act passed into legislation in November 2021. There are four changes which have a potential financial impact on the Councils:

- i) Consistency in the range of recycling materials collected and the method of handling the materials. Councils may be required to collect some material separately, which would affect the number of containers households need, collection vehicles and collection efficiency. The final cost will depend on how recyclates are handled (whether co-mingling will still be allowed) and the frequency of residual waste collection. Announcements on consistency in collections have been repeatedly delayed by central government.
- ii) The implementation of charges for the producers of packaging towards the costs of disposal (Extended Producer Responsibility). This is expected to generate £780m across the country once fully implemented although this is expected to decline over time as producers opt for more sustainable packaging. This funding will be distributed to local government although it is unclear how this will be distributed. Whilst the Council will benefit from this income as the Government has committed to not reducing other funding streams as a result of the new income the detail is yet to be announced..
- iii) It was originally anticipated that implementation of weekly food waste collections would be required by 2024/25. Overall we know that the roll out of food waste collection will cost the Councils at least £1.5m, although the County may benefit due to a reduction in disposal costs. The government consultation referenced support through capital and new burdens funding to cover additional costs. Announcements regarding food waste collections and funding have been repeatedly delayed by central government. Realistically it will take a minimum of two years to roll out this new service taking into account procurement (eg of vehicles) and investment required in transfer and disposal infrastructure.
- iv) The potential requirement to provide free fortnightly garden waste collections to all households (which is currently a weekly, chargeable, subscription service). It is understood that these proposals will be scrapped.

The Government has committed to funding the net cost of the proposed changes including the cost of implementation and any capital costs. However, at this time there is little information on how any funding mechanism will work and whether the funding is sufficient to cover the costs of the changes made.

For the purposes of this budget, there is an assumption that there will be no net cost associated with the introduction of food waste which will be funded through a combination of new burdens funding, working with the County regarding the funding of the costs and the Extended Producer Responsibility funding. However this will need to be assessed as more information is forthcoming.

Further reports on the impact of the new Environment Act will be presented to the Joint Strategic Committee in due course. An allowance of £50,000 was built into the budget to support the implementation of the new arrangements. A proportion of this funding is being used to fund a temporary support officer to rationalise the collection rounds to improve efficiency and prepare them for any service changes as a result of the Environment Act. It is also being used to support waste minimisation work.

4.6.4 Review of commercial activity

Since the pandemic, some of our commercial income budgets have never fully recovered. Consequently these budgets have been showing a shortfall for some time. Built into the budget is an allowance for the restatement of these budgets to ensure that the Council's budgets are robust. This issue particularly impacts on Worthing where issues have emerged in car parking and bereavement services.

4.6.5 Contingency budget

The Councils have only limited contingency budgets. The budgets that the Councils have had have been created from the provision of one-off government grants or from the budget set aside for inflationary pressures. However, given the level of uncertainty regarding inflation and pressure on the Councils, it is recommended that the Council reviews the current arrangement and increase the level set aside on an annual basis by £100k for Adur District Council and £200k for Worthing Borough Council.

4.7 Councils' Budget and Shortfall:

- 4.7.1 A summary of the estimated position for 2024/25, based on the assumptions outlined in this report, is therefore:

	Adur £'000	Worthing £'000
Main cost pressures:		
Inflationary pressures in excess of the likely increase in Council Tax	780	1,206
Changes in funding from taxation		
Fall out of one off funding for 2023/24	128	141
Change in retained business rates	(483)	(736)
Change in New Homes Bonus	79	125
Changes in Council Tax Surplus / Deficit	143	(43)
Total change to funding from Government	(133)	(513)
Impact of funding Council priorities		
Heat Network	10	121
Nature restoration projects - to fund capital and revenue impacts of any proposals	100	
Brooklands improvement programme - net costs		16
Redevelopment of Union Place - Phase 1		
Loss of income from High Street surface car park		52
Other costs		5
Overall impact of funding Council priorities	110	194
Other items:		
Net impact of the capital programme	60	413
Impact of triennial review	(95)	(163)
Improvement in investment income	(13)	(91)
Removal of one-off items	(50)	48
Impact of leisure contract	(99)	-
Review of commercial income budgets	12	817
Creation of new contingency budget	100	200
Impact of new insurance contract	135	161
Contingency for committed growth	70	120
Provision for new growth items	100	250
Increase to provision for the management of strategic property	100	100
Other items	(26)	12
Overall savings to be met by the budget strategy	1,051	2,754

Note: This breakdown of the cost pressures is given at an early point in the financial year; consequently a contingency amount has been added for unidentified items and known budget risks. This will be stripped out as the year progresses.

4.7.8 The overall estimated budget shortfall for both Councils is expected to increase for the next five years is as follows:

	2024/25	2025/26	2026/27	2027/28	2028/29
ADUR	£'000	£'000	£'000	£'000	£'000
Overall cumulative shortfall	941	1,606	2,388	3,137	3,855
Annual shortfall	941	1,606	2,388	3,137	3,855
Total net budget funded by taxation	10,902	10,943	10,804	10,650	10,485
Annual savings as a percentage of overall net budget (%)	6.20%	6.90%	7.60%	8.40%	9.20%

	2024/25	2025/26	2026/27	2027/28	2028/29
WORTHING	£'000	£'000	£'000	£'000	£'000
Overall cumulative shortfall	2,754	4,024	5,490	6,640	8,299
Annual shortfall	2,754	1,270	1,466	1,150	1,659
Total net budget	14,947	15,144	15,157	15,160	15,155
Annual savings as a percentage of overall net budget (%)	18.43%	8.39%	9.67%	7.59%	10.95%

	2024/25	2025/26	2026/27	2027/28	2028/29
JOINT SERVICES**	£'000	£'000	£'000	£'000	£'000
Overall cumulative shortfall	2,263	3,044	3,823	4,585	5,364
Annual shortfall	2,363	901	899	882	899
Total net budget	26,347	26,347	26,347	26,347	26,347
Annual savings as a percentage of overall net budget (%)	9.04%	3.42%	3.41%	3.35%	3.41%

5. Reserves Position

Both Councils have an established policy to maintain working balances at a minimum level of 6% and a maximum level of 10% of net expenditure. However, the working balance was increased substantially at the end of 2019/20 to manage the risks associated with the pandemic with the expectation that this would be available to manage the financial losses resulting from the emergency. The level of General Fund working balance as at the 1st April 2023 is estimated to be:

	Adur	Worthing
	£'000	£'000
Working balance	1,041	1,347
Net budget	10,610	14,189
Percentage held	9.8%	9.5%

The working balance was deliberately increased in 2019/20 to help fund the consequences of the pandemic, however maintaining a high working balance will also help mitigate against the current inflationary pressures. In addition to the General Fund reserves, the Councils can access other major reserves to help smooth the impact of Council Tax increases and levels of savings necessary:

- The Capacity Issues Fund which was set up to help the Council cope with a range of cost pressures including cushioning the impact of the recession and to fund one-off initiatives (both Adur District Council and Worthing Borough Council);

The Councils have a policy of actively contributing to these reserves when possible by proactively managing the inflation provision. In addition, where possible, the Councils are opting to use the ability to use capital receipts to fund initiatives which make on-going savings (capital flexibilities) to further protect the reserves position. It is estimated that the balance available to support the budget will be:

	Adur District Council		Worthing Borough Council	
	Balance as at 31-Mar-23	Uncommitted resources*	Balance as at 31-Mar-23	Uncommitted resources*
	£'000	£'000	£'000	£'000
Capacity Issues Reserve	441	306	882	761

- * This allows for approvals to use the resources from 2024/25 onwards.

6. Options for addressing the budget gap in 2025/26 and beyond

6.1 The Councils will need to identify significant savings or deliver income growth over the next 5 - 10 years to balance the budget, particularly if the Councils want to deliver on the initiatives emerging from the new strategies. The savings process to be followed for the development of the budget has five stages:

1. An annual planning process involving senior leaders will start during July, firstly working to surface all work and priorities for the organisation and then working collaboratively to create a sustainable programme of work for the organisation.
2. Portfolio holders to be involved in this process to ensure transparency of service delivery and project prioritisation.
3. Subsequently giving Directors responsibility for identifying any further proposals required to meet residual savings targets which are to be considered by the Council Leadership Team in the autumn.
4. The Leader and Executive Members will then consider the proposals identified to meet the 204/25 budget shortfall which fit with the Councils' priorities.
5. The savings proposals are then considered by the Joint Overview and Scrutiny Committee with a view to commenting on those which will impact on the Worthing Borough Council budget. Joint Overview and Scrutiny Committee can also add to the list of proposed savings with additional proposals as considered appropriate.
6. Consideration by the Joint Strategic Committee of which of the savings are to be used to fund any budget shortfall.

A flowchart with outline timescales for the 2024/25 budget is attached at Appendix 1.

6.2 The Councils fundamentally reshaped the budget strategy back in 2016/17, with new explicit strands of work designed to balance the budget and support the delivery of the Councils' priorities. The focus of this strategy has been to increase income generation and reduce the savings to be delivered from service reductions – nevertheless each year additional savings will still need to be found with another substantial challenge arising for 2024/25 due to the current economic challenges. Currently it is estimated that around £3.5m of savings still need to be found across the Councils, this would be equivalent to a reduction in the staffing budget of around 10%.

6.3 This programme will continue to be shaped over the coming months by the strategic work streams which are discussed in more detail below. The programme of work will also be reassessed as the year progresses. The proposed targets for the main programmes of work are:

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Main programmes:						
Asset review and rationalisation programme	380	533	615	697	779	3,004
Commercial income growth	600	600	600	600	600	3,000
Digital service redesign Programme	200	200	200	200	200	1,000

6.4 Each major programme of work is overseen by an internal working group as follows:

1. The Major Projects Board leads on delivering projects to increase employment space and additional housing;
2. The Commercial working group leads on the delivery of the income growth from commercial services and seeks to improve the customer experience.
3. The Affordable Homes Working Group leads on initiatives to improve the supply of affordable homes and to reduce the cost of temporary and emergency accommodation.
4. The Technology & Change Board leads on the delivery of the digital service redesign programme and makes recommendations on prioritisation of projects

6.5 These strands of work reflect the strategic work plans identified as part of the Councils' current Corporate Strategy 'Our Plan' which are the delivery mechanism for the priorities of both Councils. These plans will be grouped as:

- Thriving Places
- Thriving Economy
- Thriving People
- Thriving Environment

In addition to these externally focused work plans the Councils will also continue to deliver the organisational change indicated by Our Plan. Part of this work will be to identify and maximise the financial return on our services to support the Council's budgetary position by:

a. Increasing the range of modern digital services:

The Councils have embarked on a programme of rapid digital transformation which the Councils are supporting. There is an ongoing programme of work designed to lever in significant savings which the Council continues to roll-out.

	2024/25	2025/26	2026/27	2027/28 and beyond
	£'000	£'000	£'000	£'000
Annual Savings	200	200	200	200
Cumulative impact	200	400	600	800

b. Grow our commercial & traded income and external sources of funding:

There are two elements to this area of work:

- Existing fee earning services are being reviewed:
 - Services which either have fees set by central government or can only break-even by statute will be reviewed to ensure that income is sufficient to cover costs. This includes Land Charges, Building Control and Development Management.
 - Services which operate on a commercial basis will be encouraged to maximise profit margins where possible.
- The Councils will look for new income generating opportunities.

A target increase in income from commercial activities has been agreed. It is expected that this strand of work will generate an additional £600k per annum which, if achieved, will be a substantial contribution to resolving the budget shortfall.

	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Annual Savings	600	600	600	600	600
Cumulative impact	600	1,200	1,800	2,400	3,000

c. Asset review and rationalisation

There are three strands of work have been identified to drive financial return to the council in the shorter term and in accordance with the Council's adopted Property Asset Management Plan:

- Property Rationalisation Workstream - initiatives to rationalise the amount of accommodation and depot space used by the Councils
- Revenue Generation Workstream - Work to ensure that rent reviews are up to date and continue effectively manage the councils' estates
- Asset Challenge Workstream - Review the assets held by the Council and identify those which could be disposed of to reduce the borrowing costs to the Councils.

Both Councils have a clear sense of how they want to approach asset rationalisation and this will be developed as part of the place based approach outlined within Our Plan - enabling each administration to make decisions which best reflect this places.

It is expected that this programme will lever in the following savings over the next 5 years.

	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000
Annual Savings	135	135	175	190	190
Cumulative impact	135	270	445	635	825

d. Effective procurement and contract management, driving sustainability and value for money

The Councils will continue to identify opportunities to lever in further procurement savings by working with other organisations to pool both specialist procurement resources and aggregate contracts to deliver value for money. The clear intention is to identify potential ‘procurement savings’ within existing budgets where possible or protect the Council from excessive price rises thereby protecting front-line services.

e. Base budget review

The Councils will undertake a base budget review to ensure that the budgets are as accurate as possible and strip out any unneeded provisions.

6.6 In addition to the above, the councils will also review existing programmes of work to identify projects which can be deferred or cancelled with a view to supporting the Councils financial position both in the current year and in future years. This review will be actioned across all of the Councils’ current programme of work.

6.7 The Councils currently have uncommitted reserves (excluding the working balance) of:

	£’000
Adur	306
Worthing	761

Given the current financial position of the Councils and the level of risk associated with the current inflationary pressures, the reserves should only be used to balance the budget for 2024/25 as a last resort. Nevertheless, there remains a limited option to use some reserves to smooth the impact of the savings required. However, any use of reserves can only be regarded as a short-term and non-sustainable solution and should have due regard to the level of reserves available. At this point of time in the budget cycle, it is not proposed to use reserves to balance the budget for 2024/25, but to set challenging targets for savings. This will be revisited in the autumn when the options for savings emerge and the Councils have a clearer understanding of the financial challenges ahead.

6.8 At the request of Worthing members, to ensure that the savings offered later in the year reflect the Councils’ priorities, all the proposals which affect Worthing will also be presented to the Joint Overview and Scrutiny Committee for consideration and comment.

7. 2024/25 and beyond

- 7.1 The detailed budget projections for 2024/25 to 2026/27 are also shown in Appendix 3. It is clear that many of the cost pressures identified for 2024/25 will continue on for the coming years and that there is a continuing need to make significant savings although the level of annual savings should decline once the Council has addressed the impact of any Funding Review .
- 7.2 It is an inherent feature of the budget strategy that officers will continue to be asked to identify annual “cashable” efficiency and procurement savings to help meet the budget gap and to protect priority services. However, the focus of the current strategy is to meet a significant proportion of the challenge through income generation by:
- i) Building new homes and increasing income from Council Tax.
 - ii) Increasing business rates through the development of new employment spaces.
 - iii) Increasing income from commercial activity;
 - iv) Using both Council’s assets through the asset management plans to best support the Council’s priorities;
 - vi) To address the costs of homelessness through preventative measures and acquiring better value homes for emergency accommodation;
 - vii) Improving service delivery and efficiency through digital transformation;
 - viii) Investigating opportunities to expand partnership working with others

However this strategy will be reviewed over the coming months to ensure that it will continue to deliver the changes required to balance the budget.

- 7.3 This strategy will have long term benefits. Overall as a result of the strategy adopted both Council will be able to address significant proportions of the budget shortfalls identified.

	2024/25	2025/26	2026/27	2027/28	2028/29
Adur District Council	£'000	£'000	£'000	£'000	£'000
Estimated cumulative savings required to balance the budget	941	1,606	2,388	3,137	3,855
Savings strategy:					
Asset rationalisation programme	(30)	(60)	(90)	(120)	(150)
Commercial income	(150)	(300)	(450)	(600)	(750)
Service and digital redesign	(80)	(160)	(240)	(320)	(400)
Residual savings to be identified	681	1,086	1,608	2,097	2,555

	2024/25	2025/26	2026/27	2027/28	2028/29
Worthing Borough Council	£'000	£'000	£'000	£'000	£'000
Estimated cumulative savings required to balance the budget	2,754	4,024	5,490	6,640	8,299
Savings strategy:					
Asset rationalisation programme	(350)	(473)	(525)	(577)	(629)
Commercial income	(450)	(900)	(1,350)	(1,800)	(2,250)
Service and digital redesign	(120)	(240)	(360)	(480)	(600)
Residual savings or income growth to be identified	1,834	2,411	3,255	3,783	4,820

Shown at Appendix 4 is a 10 year forecast which considers whether the current strategy will result in a more sustainable budget for the future based on known cost pressures. Whilst the next 2 to 3 years are challenging, if the Councils are successful in delivering the strategy detailed above, the financial issues faced in the future should be manageable.

7.4 Challenging times are ahead, however if the Councils focus on delivering the strategy and continue to target limited resources on priorities, then we are in a good position to respond to the inevitable budget shortfalls.

8. Adur District Council - Housing Revenue Account

8.1 The Housing Revenue Account (HRA) has a 30-year financial plan which was included in the rent setting report considered in February this year. It is not intended to replicate those financial projections within this report but update the forecast later once the asset management plan has been refreshed. However, like the General Fund, the HRA is facing some significant challenges, not least the impact of inflation on the cost of service delivery and

increasing maintenance costs associated with the condition of the housing stock.

8.2 Nevertheless, the HRA will be subject to the same budget process and strategy as outlined below.

9. Budget strategy for the development of the 2024/25 budget

9.1 A detailed budget strategy now needs to be agreed, to underpin the preparation of the budget throughout the coming months and to reflect the discussion outlined above. The following are recommended as principles to be used in the preparation of the 2024/25 revenue and capital budgets:

9.2 Revenue Budget Strategy

The following assumptions underpin our budget strategy:

- Both Councils will aim to keep Council Tax increases to a minimum;
- Both Councils will seek to increase income from business rates and council tax by facilitating the creation of new homes and employment space.
- Growth in expenditure is to be restricted to unavoidable expenditure to satisfy the delivery of each Councils' Key Priorities and other legislative requirements. The key items of growth identified to date have been included in the outline 5-year forecast;
- Any other growth to be accompanied by proposals for equivalent ongoing savings and not to be funded from reserves;
- Commercial income is to be increased in line with the inflationary pressures upon the Councils (3.0%) or such higher increase as the individual markets can bear
- 2024/25 expenditure is to be increased by: 4.5% for pay (plus an allowance has been made for increments which are a contractual commitment) and 3.0% for all other expenditure (except for inflation arising from contractual indexation provisions);
- The Council aims to set a balanced budget. Any proposed use of reserves is to have regard to the adequacy of such reserves and any such policy must be sustainable in the longer term. In addition, the Council aims not to have any planned call upon the General Fund Working Balance;

- The Council will identify the majority of savings for 2024/25 through six proposed programmes of work, although these strands of work will be reviewed in the light of the new corporate plan:
 - Commercial strategy
 - Affordable homes programme and subsequent reductions in emergency and temporary accommodation costs
 - Asset review and rationalisation programme
 - Service transformation through digital investment
 - Investment in renewable energy
 - Development of an external funding strategy
 - Shared service and partnering review
- Officers will continue to identify other 'cashable' efficiency savings, options for reducing non-priority services, and undertake a critical review of budgets to identify further options for balancing the budget including reviewing commitments to existing projects.

9.3 Capital Investment Programme

- The maximum level of funding be made available per year for the next 5 years to fund new General Fund schemes as follows:

Adur District Council: £1.0 m core funding in 2024/25 and 2025/26 (plus £10m for the Housing Investment Programme)

Worthing Borough Council: £1.5m core funding

The funding of the programme is to be made up of prudential borrowing, and capital receipts. The Council will actively seek to supplement this programme through external funding where possible. This reflects concerns about affordability; however members need to be aware that the number, age and condition of the Councils' assets continue to be a cause for concern and that the programmes may need to be increased if any unavoidable expenditure that cannot be accommodated within the programme is identified.

- Additional capital expenditure to be only agreed where additional funding from capital grants, contributions, earmarked receipts, approved additional prudential borrowing or use of reserves has been secured.

10. Engagement and Communication

- 10.1 The budget proposals will be the subject of internal officer consultation and staff will be briefed on the challenges ahead.

- 10.2 All savings proposals will be scrutinised by the Joint Overview and Scrutiny Committee at its meeting of 24th November 2023.
- 10.3 All members will participate in the setting of the annual budget at the Council's meetings in February.
- 10.4 Any savings which impact on the services delivered to the public will be consulted on. The outcome will be available for members when they consider the savings proposals in February 2023.
- 10.5 The Adur Homes Management Board will be consulted regarding any proposed changes to the HRA.

11. Financial Implications

- 11.1 There are no other financial implications other than those outlined above.

12. Legal Implications

- 12.1 The Council is required to set a robust budget under the Local Government Act 2003. This report is the first step towards the Council achieving this aim for the 2023/24 budget round.

Background Papers

Report to Adur District Council Executive 2nd February 2023 - Estimates 2023/24 and setting of 2023/24 Council Tax

Report to Worthing Borough Council Executive 1st February 2023 -Estimates 2022/23 and setting of 2022/23 Council Tax

Report to Joint Strategic Committee 11th July 2023 – Final Revenue Outturn for Joint, Adur and Worthing 2022/23.

Budget Statement 2023 – Report from HM Treasury

Report to Joint Strategic Committee 11th October 2022 - Our Plan - The new corporate plan for Adur & Worthing Councils

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Sustainability & Risk Assessment

1. Economic

The budget contains funding for commitments made under Mission: Thriving Economies

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified with the budget strategy itself. However individual proposals arising from the budget will be the subject of an equalities impact assessment.

2.3 Community Safety Issues (Section 17)

The budget contains funding for community safety.

2.4 Human Rights Issues

Matter considered and no issues identified.

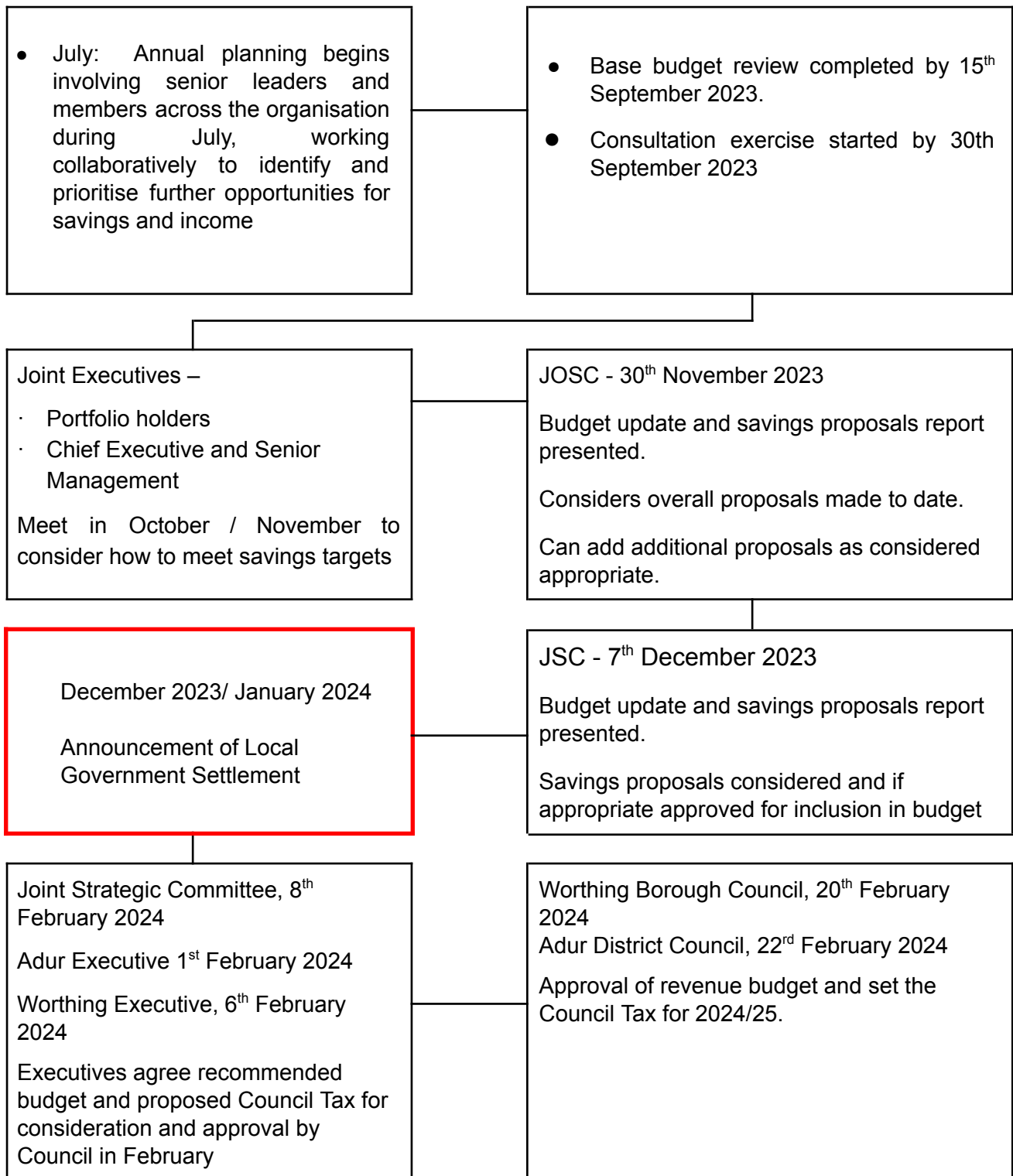
3. Environmental

The budget contains funding for decarbonisation initiatives.

4. Governance

Matter considered and no issues identified.

Appendix 1



Appendix 2

ADUR DISTRICT COUNCIL Revenue Budget Summary Statement 2023/24- 2027/28						
	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation	10,610	10,610	10,610	10,610	10,610	10,610
Base budget	10,610	10,610	10,610	10,610	10,610	10,610
(a) Annual Inflation						
Estimated inflation		626	962	1,297	1,626	1,961
Impact of current pay offer (an average of 5.7%)		117	119	121	123	125
Provision for higher pay award (say 2 % extra)		196	200	204	208	212
(b) One -off / non-recurring items						
Local Elections (held every other year)		(18)	-	(19)	-	(20)
(c) Impact of funding the Council's priorities						
Heat Network		10	10	10	10	10
Nature restoration projects - to fund capital and revenue impacts of any proposals		100	100	100	100	100
(d) Capital Programme and Treasury Management						
Capital programme financing costs		60	216	309	288	258
Investment income		(13)	99	176	167	158
(e) Other items						
Impact of Triennial review:						
Reduction in back funded contributions		(95)	(190)	(190)	(190)	(190)
Final cost of new leisure contract		(99)	(99)	(99)	(99)	(99)
Impact of rate revaluation 2022		5	8	29	30	31
Removal of one-off growth associated with the local plan review		(50)	(150)	(150)	(150)	(150)
Renewal of insurance contract		135	135	135	135	135
Review of clinical waste budgets		12	12	12	12	12
Removal of contingency budget created by one off resources in 2023/24		(123)	(123)	(123)	(123)	(123)
Planned increase to the Strategic Property Management annual provision		100	200	300	400	500
Contingency budget		100	100	100	100	100
Allowance for committed growth items		70	140	70	140	210
(f) Approved Growth items						
Provision for new growth items to be agreed later in the process		100	200	300	400	500
Total Cabinet Member Requirements	10,610	11,843	12,549	13,192	13,787	14,340

ADUR DISTRICT COUNCIL
Revenue Budget Summary Statement 2023/24- 2027/28

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Total Cabinet Member Requirements B/fwd	10,610	11,843	12,549	13,192	13,787	14,340
Baseline funding	1,832	1,924	1,962	2,001	2,041	2,082
Add: Retained additional business rates	1,066	1,457	1,479	1,135	772	393
Add: Share of previous year's surplus / (deficit)		-				
Adjusted Business Rate Income	2,898	3,381	3,441	3,136	2,813	2,475
Council Tax income	7,107	7,266	7,428	7,594	7,763	7,936
Other grants						
New homes bonus	79	-	-	-	-	-
Lower Tier Services Grant / Revenue Support Grant	74	74	74	74	74	74
Local Tax Guarantee Scheme - Council Tax	59	-	-	-	-	-
Services Grant	69	-	-	-	-	-
Funding guarantee	227	227	-	-	-	-
Collection fund surplus/deficit (-)	97	(46)	-	-	-	-
Total other grants and contributions	605	255	74	74	74	74
Total Income from Grants and Taxation	10,610	10,902	10,943	10,804	10,650	10,485
AMOUNT REQUIRED TO BALANCE BUDGET	-	941	1,606	2,388	3,137	3,855

ADUR DISTRICT COUNCIL
Revenue Budget Summary Statement 2023/24- 2027/28

Net Spending to be Financed from Taxation	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
AMOUNT REQUIRED TO BALANCE BUDGET		941	1,606	2,388	3,137	3,855
Savings strategy:						
Asset review and rationalisation		30	60	90	120	150
Commercial income		150	300	450	600	750
Service and Digital redesign - Rapid improvement programme		80	160	240	320	400
Total initiatives identified		260	520	780	1,040	1,300
Cumulative savings still to be found/ (surplus)		681	1,086	1,608	2,097	2,555
Annual savings still to be found		681	405	522	489	458
Council Tax increase		1.99%	2.00%	2.00%	2.00%	2.00%
Annual increase (Band D property)		£6.45	£6.61	£6.74	£6.88	£7.01
Weekly increase (Band D property)		£0.12	£0.13	£0.13	£0.13	£0.13
Average annual increase (Band C property)		£5.73	£5.88	£5.99	£6.12	£6.23
Average weekly increase (Band C property)		£0.11	£0.11	£0.12	£0.12	£0.12

WORTHING BOROUGH COUNCIL
Revenue Budget Summary Statement 2023/24- 2027/28

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	14,189	14,189	14,189	14,189	14,189	14,189
(a) Annual Inflation						
Estimated inflation (with 4.5% allowance for pay increase in 2023/34)		982	1,516	2,050	2,574	3,109
Impact of current pay offer (an average of 5.7%)		176	180	184	188	192
Provision for higher pay award (say 2 % extra)		293	299	305	311	317
(b) One -off / non-recurring items						
Local Elections (held three out of four years)		-	(50)	-	-	-
(c) Impact of funding the Council's priorities						
Brooklands improvement programme - net costs		16	20	20	20	20
Heat Network		121	225	225	225	225
Redevelopment of Union Place - Phase 1						
Loss of income from High Street surface car park		52	52	52	52	52
Other costs		5	5	5	5	5
Teville Gate - MRP costs if not sold		-	73	75	77	79
Grafton Site - Loss of income		-	83	83	83	83
General provision for future impact of new policy commitments		-	-	200	400	400
(d) Treasury Management						
Financing costs - General Programme		413	834	1,054	1,178	1,945
Investment income		(91)	46	137	137	137
(e) Other items						
Impact of Triennial review:						
Reduction in back funded contributions		(163)	(358)	(358)	(358)	(358)
Impact of business rate revaluation 2017		12	18	50	3	3
Reassessment of the net cost of bereavement services		500	500	500	500	500
Removal of temporary rental income from Liverpool Gardens (for 2023/24 only)		48	48	48	48	48
Removal of proposal to charge for free car parks		49	49	49	49	49
Review of budgets for car parks		250	250	250	250	250
Review of clinical waste budgets		18	18	18	18	18
Impact of new insurance contract		161	161	161	161	161

WORTHING BOROUGH COUNCIL
Revenue Budget Summary Statement 2023/24- 2027/28

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
Net Spending to be Financed from Taxation	£'000	£'000	£'000	£'000	£'000	£'000
(e) Other items (contd)						
Planned increase to the Strategic Property Management provision		100	200	300	400	500
Contingency provision		200	200	200	200	200
Allowance for committed growth items		120	240	360	480	600
(f) Approved Growth items						
Provision for new growth items to be agreed later in the process		250	370	490	610	730
Total Cabinet Member Requirements	14,189	17,701	19,168	20,647	21,800	23,454
Baseline funding	2,793	2,933	2,992	3,052	3,113	3,175
Add: Net retained additional business rates	1,049	1,301	1,315	1,010	687	349
Add: Share of surplus /deficit (-) net of use of reserves	(473)	(129)				
Adjusted Business rate income	3,369	4,105	4,307	4,062	3,800	3,524
Council Tax income	10,232	10,477	10,728	10,986	11,251	11,522
Grants and contributions						
New Homes Bonus	125					
Lower Tier Services Grant	109	109	109	109	109	109
Local tax compensation scheme	37		-	-	-	-
Funding guarantee	256	256				
Services Grant	104					
Collection fund surplus/deficit (-)	(43)		-	-	-	-
Total other grants and contributions	588	365	109	109	109	109
Total Income from Taxation	14,189	14,947	15,144	15,157	15,160	15,155
AMOUNT REQUIRED TO BALANCE BUDGET	-	2,754	4,024	5,490	6,640	8,299

WORTHING BOROUGH COUNCIL
Revenue Budget Summary Statement 2023/24- 2027/28

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
AMOUNT REQUIRED TO BALANCE BUDGET		2,754	4,024	5,490	6,640	8,299
Savings / Initiatives identified to date:						
Asset review and rationalisation		350	473	525	577	629
Strategic Property Investment Fund Wellbeing centre and car park - net of debt charges		50	(143)	(143)	(143)	(143)
Commercial income		450	900	1,350	1,800	2,250
Service and Digital redesign programme		120	240	360	480	600
Total savings initiatives identified to date		970	1,470	2,092	2,714	3,336
Cumulative savings still to be found/ (surplus)		1,784	2,554	3,398	3,926	4,963
Annual savings still to be found		1,784	770	844	528	1,037
Council Tax increase		1.99%	1.99%	2.00%	2.00%	2.00%
Annual increase (Band D property)		£5.17	£5.28	£5.41	£5.52	£5.63
Weekly increase (Band D property)		£0.10	£0.10	£0.10	£0.11	£0.11
Average annual increase (Band C property)		£4.60	£4.69	£4.81	£4.90	£5.00
Average weekly increase (Band C property)		£0.09	£0.09	£0.09	£0.09	£0.10

JOINT STRATEGIC COMMITTEE
Revenue Budget Summary Statement 2023/24- 2027/28

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	£'000	£'000	£'000	£'000	£'000
Net Spending to be Financed from Taxation						
Base budget	26,347	26,347	26,347	26,347	26,347	26,347
(a) Annual Inflation						
Estimated inflation		1,471	2,256	3,039	3,805	4,588
Impact of current pay offer (an average of 5.7%)		293	299	305	311	317
Provision for higher pay award (say 2 % extra)		489	499	509	519	529
(b) Other items						
Review of clinical waste budgets		30	30	30	30	30
Provision for new growth items		100	200	300	400	500
Net cost to be reallocated to the Councils	26,347	28,730	29,631	30,530	31,412	32,311
Adur District Council	10,590	10,590	10,590	10,590	10,590	10,590
Worthing Borough Council	15,757	15,757	15,757	15,757	15,757	15,757
Total income for services provided to the constituent councils	26,347	26,347	26,347	26,347	26,347	26,347
(Surplus) / Shortfall in Resources	-	2,383	3,284	4,183	5,065	5,964

Appendix 4

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/24
Adur District Council	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Base	10,610	10,610	10,610	10,610	10,610	10,610	10,610	10,610	10,610	10,610	10,610
Inflation		939	1,281	1,622	1,957	2,298	2,641	2,986	3,332	3,681	4,034
Impact of capital programme and treasury management decisions		47	315	485	455	416	800	915	1,052	1,201	1,338
Net growth		247	343	475	765	1,016	1,307	1,558	1,849	2,100	2,391
Net expenditure funded by taxation	10,610	11,843	12,549	13,192	13,787	14,340	15,358	16,069	16,843	17,592	18,373
Income from taxation											
Business rates	2,898	3,381	3,441	3,136	2,813	2,475	2,124	2,166	2,209	2,254	2,299
Council Tax	7,204	7,220	7,428	7,594	7,763	7,936	8,113	8,294	8,479	8,668	8,861
Other grants	508	301	74	74	74	74	74	74	74	74	74
Total income from taxation	10,610	10,902	10,943	10,804	10,650	10,485	10,311	10,534	10,762	10,995	11,233
Cumulative budget shortfall	0	941	1,606	2,388	3,137	3,855	5,047	5,535	6,081	6,597	7,140
Budget strategy initiatives											
Asset rationalisation		30	60	90	120	150	180	210	240	270	300
Commercial income		150	300	450	600	750	920	1,090	1,260	1,430	1,600
Impact of digital strategy		80	160	240	320	400	480	560	640	720	800
Total savings initiatives identified		260	520	780	1,040	1,300	1,580	1,860	2,140	2,420	2,700
Remaining savings to be identified		681	1,086	1,608	2,097	2,555	3,467	3,675	3,941	4,177	4,440
Savings per year to be identified		681	405	522	489	458	912	208	266	236	263

	2023/24 Base	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/24
Worthing Borough Council	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Base	14,189	14,189	14,189	14,189	14,189	14,189	14,189	14,189	14,189	14,189	14,189
Inflation		1,451	1,995	2,539	3,073	3,618	4,164	4,714	5,267	5,825	6,388
Impact of capital programme		322	880	1,191	1,315	2,082	2,156	1,918	2,118	2,318	2,754
Net growth		1,739	2,104	2,728	3,223	3,565	3,857	4,249	4,591	4,933	5,225
Net expenditure funded by taxation	14,189	17,701	19,168	20,647	21,800	23,454	24,366	25,070	26,165	27,265	28,556
Income from taxation											
Business rates	3,369	4,105	4,307	4,062	3,800	3,524	3,239	3,304	3,370	3,437	3,506
Council Tax	10,189	10,477	10,728	10,986	11,251	11,522	11,799	12,084	12,374	12,672	12,978
Other grants	631	365	109	109	109	109	0	0	0	0	0
Total income from taxation	14,189	14,947	15,144	15,157	15,160	15,155	15,038	15,388	15,744	16,109	16,484
Cumulative budget shortfall	0	2,754	4,024	5,490	6,640	8,299	9,328	9,682	10,421	11,156	12,072
Budget strategy initiatives											
Asset rationalisation		350	473	525	577	629	681	733	785	837	889
Commercial income		450	900	1,350	1,800	2,250	2,680	3,110	3,540	3,970	4,400
Impact of digital strategy		120	240	360	480	600	600	600	600	600	600
Strategic Property Investment		50	-143	-143	-143	-143	60	60	60	60	210
Total savings initiatives identified		970	1,470	2,092	2,714	3,336	4,021	4,503	4,985	5,467	6,099
Remaining savings to be identified		1,784	2,554	3,398	3,926	4,963	5,307	5,179	5,436	5,689	5,973
Savings per year to be identified		1,784	770	844	528	1,037	344	-128	257	253	284

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Overall	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Overall budget shortfall										
Adur	941	1,606	2,388	3,137	3,855	5,047	5,535	6,081	6,597	7,140
Worthing	2,754	4,024	5,490	6,640	8,299	9,328	9,682	10,421	11,156	12,072
Total	3,695	5,630	7,878	9,777	12,154	14,375	15,217	16,502	17,753	19,212
Budget strategy initiatives										
Investment in commercial property	380	533	615	697	779	861	943	1,025	1,107	1,189
Development of commercial income	600	1,200	1,800	2,400	3,000	3,600	4,200	4,800	5,400	6,000
Impact of digital strategy	200	400	600	800	1,000	1,080	1,160	1,240	1,320	1,400
Total budget strategy initiatives	1,180	2,133	3,015	3,897	4,779	5,541	6,303	7,065	7,827	8,589
Remaining cumulative savings to be identified	2,515	3,497	4,863	5,880	7,375	8,834	8,914	9,437	9,926	10,623
Annual savings still to be identified	2,515	982	1,366	1,017	1,495	1,459	80	523	489	697



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

Interview with Worthing Cabinet Member for the Environment

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out background information on the Portfolio of the Worthing Cabinet Member for the Environment to enable the Committee to consider and question the Cabinet Member on issues within her portfolio and any other issues which the Cabinet Member is involved in connected with the work of the Council and the Worthing communities.

2. Recommendations

2.1 That the Committee consider any representations from the Cabinet Member on the work within her Portfolio and other issues which the Cabinet Member is involved in and question the Cabinet Member on this and recommend any suggested action or make appropriate comments to the Cabinet Member for her consideration.

3. Context and Purpose of Scrutiny

- 3.1 As part of its Work Programme for 2023/24, the Joint Overview and Scrutiny Committee (JOSC) have agreed to interview the Adur and Worthing Cabinet Members on their priorities for 2023/24.
- 3.2 As part of its fact finding/investigative role, the Joint Overview and Scrutiny Committee is asked to consider the roles and responsibilities of the Worthing Cabinet Member for the Environment, Councillor Vicki Wells. It is part of the Scrutiny role to fact find/investigate in the form of questions and JOSC is asked to direct questions to the Cabinet Member on any issues involving the Cabinet Member and also issues relating to her portfolio.
- 3.3 The Committee is entitled to ask for further investigation into items where it may not be satisfied with the progress as described and can recommend action or make comments to the Cabinet Member for consideration.
- 3.4 The Cabinet Member was previously interviewed by JOSC at its meeting on 19 January 2023 - The minute extract (JOSC/74/22/23) which includes the detail of the previous discussion and previous questions from that interview is set out here [JOSC Minutes 19/1/23](#) Individual decisions made by the Cabinet Members can be found from the following link: [Individual Member Executive Decisions](#)

4. Issues for consideration

- 4.1 The Worthing Cabinet Member for the Environment has responsibility for the following:-
- Cemeteries and burials
 - Crematorium
 - Environmental management and strategy (to share with Climate Emergency Portfolio)
 - Environmental protection and ecological sustainability, including noise, dog control, food hygiene, land drainage, pest control and air quality (to share with the Climate Emergency portfolio)
 - Foreshore - Sussex Bay and fishing community
 - Parks, open and green spaces, including ground maintenance and allotments
 - Public health, health protection and enforcement, including Food Safety Enforcement Plan
 - Public conveniences

- Street cleaning
- Waste minimisation, collection and recycling
- Water Quality, including sea bathing water status

4.2 JOSC is requested to ask questions of the Cabinet Member based on her responsibilities outlined in paragraph 4.1 including any high level strategic issues relating to the Councils and our communities.

5. Engagement and Communication

5.1 The JOSC Chairs and Vice-Chairs and the Cabinet Member have been consulted on the proposals contained in this report.

6. Financial Implications

6.1 There are no direct financial implications to consider within this report.

7. Legal Implications

7.1 JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.3 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.

Background Papers

Strategic Priorities for Worthing Borough Council: 2022/23 Progress Update Report and New Priorities for 2023/24 - [Worthing JSC Sub-Committee 13 June 2023](#)

Our Plan - A three year framework for Adur and Worthing Councils
[Our Plan](#)

Officer Contact Details:-

Mark Lowe

Scrutiny and Risk Officer

Tel:01903 221009

mark.lowe@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered and no direct issues identified.

2. Social

2.1 Social Value

Matter considered. Issues within the Cabinet Member Portfolio and actions taken by the Cabinet Member can help improve the wellbeing of individuals and communities.

2.2 Equality Issues

Matter considered. The Cabinet Member considers any relevant equalities and diversity issues when considering issues as part of her Portfolio.

2.3 Community Safety Issues (Section 17)

Matter considered and no direct issues identified.

2.4 Human Rights Issues

Matter considered and no direct issues identified.

3. Environmental

Matter considered. The Cabinet Member has responsibility for environmental management and strategy which is shared with the Climate Emergency Portfolio and also has responsibility for environmental protection and ecological sustainability,

4. Governance

Matter considered. JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

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ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

Interview with the Worthing Cabinet Member for Housing and Citizens Services

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out background information on the Portfolio of the Worthing Cabinet Member for Housing and Citizens Services to enable the Committee to consider and question the Cabinet Member on issues within her portfolio and any other issues which the Cabinet Member is involved in connected with the work of the Council and the Worthing communities.

2. Recommendations

2.1 That the Committee consider any representations from the Cabinet Member on the work within her Portfolio and other issues which the Cabinet Member is involved in and question the Cabinet Member on this and recommend any suggested action or make appropriate comments to the Cabinet Member for her consideration.

3. Context and Purpose of Scrutiny

- 3.1 As part of its Work Programme for 2023/24, the Joint Overview and Scrutiny Committee (JOSC) have agreed to interview the Adur and Worthing Cabinet Members on their priorities for 2023/24.
- 3.2 As part of its fact finding/investigative role, the Joint Overview and Scrutiny Committee is asked to consider the roles and responsibilities of the Worthing Cabinet Member for Housing and Citizens Services, Councillor Emma Taylor-Beal. It is part of the Scrutiny role to fact find/investigate in the form of questions and JOSC is asked to direct questions to the Cabinet Member on any issues involving the Cabinet Member and also issues relating to her portfolio.
- 3.3 The Committee is entitled to ask for further investigation into items where it may not be satisfied with the progress as described and can recommend action or make comments to the Cabinet Member for consideration.
- 3.4 The Cabinet Member was previously interviewed by JOSC at its meeting on 13 October 2022 - The minute extract (JOSC/40/22-23) which includes the details of the previous discussion and previous questions from that interview is set out here [JOSC minutes 13/10/22](#) Individual decisions made by the Cabinet Members can be found from the following link: [Individual Member Executive Decisions](#)

4. Issues for consideration

- 4.1 The Worthing Cabinet Member for Housing and Citizens Services has responsibility for the following:-
- Affordable Housing Provision
 - Benefit Fraud Detection/Prevention
 - Customer contacts and services, including Help Points
 - Disabled Facilities Grant and other Housing Grants
 - Empty Properties
 - Homelessness and Advice (Prevention and Management), including Choice Based Lettings, Bed & Breakfast
 - Housing and Council Tax Benefits and Adjudication
 - Housing Need, Options and Advice and Housing Register
 - Housing Strategy Development and Review
 - Private Sector Housing
 - Revenues and Benefits
 - Strategic Housing and Enabling

- Supported People

4.2 JOSC is requested to ask questions of the Cabinet Member based on her responsibilities outlined in paragraph 4.1 including any high level strategic issues relating to the Councils and our communities.

5. Engagement and Communication

5.1 The JOSC Chairs and Vice-Chairs and the Cabinet Member have been consulted on the proposals contained in this report.

6. Financial Implications

6.1 There are no direct financial implications to consider within this report.

7. Legal Implications

7.1 JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.3 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.

Background Papers

Strategic Priorities for Worthing Borough Council: 2022/23 Progress Update Report and New Priorities for 2023/24 - [Worthing JSC Sub-Committee 13 June 2023](#)

Our Plan - A three year framework for Adur and Worthing Councils

[Our Plan](#)

Officer Contact Details:-

Mark Lowe

Scrutiny and Risk Officer

Tel:01903 221009

mark.lowe@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered and no direct issues identified.

2. Social

2.1 Social Value

Matter considered and some issues within the Cabinet Member Portfolio will impact on some sections of the community and those in housing need.

2.2 Equality Issues

Matter considered and no direct issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no direct issues identified.

2.4 Human Rights Issues

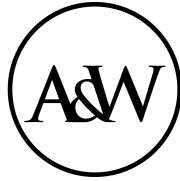
Matter considered and no direct issues identified.

3. Environmental

Matter considered and no direct issues identified.

4. Governance

Matter considered. JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

Interview with Worthing Cabinet Member for Community Wellbeing

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out background information on the Portfolio of the Worthing Cabinet Member for Community Wellbeing to enable the Committee to consider and question the Cabinet Member on issues within her portfolio and any other issues which the Cabinet Member is involved in connected with the work of the Council and the Worthing communities.

2. Recommendations

2.1 That the Committee consider any representations from the Cabinet Member on the work within her Portfolio and other issues which the Cabinet Member is involved in and question the Cabinet Member on this and recommend any suggested action or make appropriate comments to the Cabinet Member for her consideration.

3. Context and Purpose of Scrutiny

- 3.1 As part of its Work Programme for 2023/24, the Joint Overview and Scrutiny Committee (JOSC) have agreed to interview the Adur and Worthing Cabinet Members on their priorities for 2023/24.
- 3.2 As part of its fact finding/investigative role, the Joint Overview and Scrutiny Committee is asked to consider the roles and responsibilities of the Worthing Cabinet Member for Community Wellbeing, Councillor Rosey Whorlow. It is part of the Scrutiny role to fact find/investigate in the form of questions and JOSC is asked to direct questions to the Cabinet Member on any issues involving the Cabinet Member and also issues relating to her portfolio.
- 3.3 The Committee is entitled to ask for further investigation into items where it may not be satisfied with the progress as described and can recommend action or make comments to the Cabinet Member for consideration.
- 3.4 The Cabinet Member was previously interviewed by JOSC at its meeting on 16 February 2023 - The minute extract (JOSC 89/22/23) which includes the detail of the previous discussion and previous questions from that interview is set out here [JOSC Minutes 16/2/23](#) Individual decisions made by the Cabinet Members can be found from the following link: [Individual Member Executive Decisions](#)

4. Issues for consideration

- 4.1 The Worthing Cabinet Member for Community Wellbeing has responsibility for the following:-
 - Children and young people, including mental wellbeing (to share with Deputy Leader portfolio)
 - Community development, including cohesion and planning, fuel poverty, community buildings and wellbeing hubs
 - Community safety, anti-social behaviour management, neighbourhood disputes, safer communities
 - Cross-cutting health issues and NHS liaison
 - Equalities and diversity
 - Partnership working with voluntary and community organisations (including Local Strategic Partnership; grants and commissioning)
 - Police performance and intelligence liaison

4.2 JOSC is requested to ask questions of the Cabinet Member based on her responsibilities outlined in paragraph 4.1 including any high level strategic issues relating to the Councils and our communities.

5. Engagement and Communication

5.1 The JOSC Chairs and Vice-Chairs and the Cabinet Member have been consulted on the proposals contained in this report.

6. Financial Implications

6.1 There are no direct financial implications to consider within this report.

7. Legal Implications

7.1 JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.3 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.

Background Papers

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Our Plan - A three year framework for Adur and Worthing Councils
[Our Plan](#)

Officer Contact Details:-

Mark Lowe

Scrutiny and Risk Officer

Tel:01903 221009

mark.lowe@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered and no direct issues identified.

2. Social

2.1 Social Value

Matter considered. Issues within the Cabinet Member Portfolio and actions taken by the Cabinet Member can help improve the wellbeing of individuals and communities.

2.2 Equality Issues

Matter considered. The Cabinet Member is responsible for equalities and diversity issues.

2.3 Community Safety Issues (Section 17)

Matter considered. The Cabinet Member has responsibility for Community safety, antisocial behaviour management, neighbourhood disputes and safer communities.

2.4 Human Rights Issues

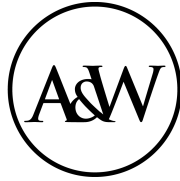
Matter considered and no direct issues identified.

3. Environmental

Matter considered and no direct issues identified.

4. Governance

Matter considered. JOSOC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

Scrutiny review of the Adur & Worthing evening and night time economy

Report by the Director for Sustainability & Resources

Officer Contact Details:-

Andy Willems
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Executive Summary

1. Purpose

1.1 This report sets out the revised discussions and recommendations from the Joint Overview and Scrutiny Committee (JOSC) Working Group which was created as part of the JOSC Work Programme to review the previous JOSC reports and recommendations on the Adur and Worthing evening and night time economy (ENTE) from 2020 through to 2023.

2. Recommendations

2.1 That JOSC notes the Cabinet Member responses to the recommendations from the ENTE Working Group and;

2.2 That JOSC agrees to receive an annual review report on progress with the works to improve the evening and night time economies as part of its Work Programme.

3. Context

3.1 As part of its Work Programme, JOSC agreed to set up a Working Group to review the Adur and Worthing ENTE to help improve the ENTE and to assist in the recovery process post pandemic. A report was produced by the Working Group in March 2020 which was deferred because of the Covid-19 pandemic and then a further report was reported in March 2022 from the Working Group which had the following terms of reference:-

1. To review the evening and night time economy in Adur and Worthing post Covid-19; and

2. To consider if there is a need for any new approaches/changes to be introduced in Adur and Worthing to improve the evening and night time economies and to assist in the recovery process post Covid-19.

3.2 Both JOSC Working Group reports can be accessed here [2020 ENTE report](#) [2022 ENTE report](#).

3.3 Recommendations from the Working Group reports were agreed by JOSC in March 2022 for referral to the Joint Strategic Committee (JSC) which considered these at its meeting on [5 July 2022](#) but asked JOSC to review the report again in light of issues raised by JSC relating to the emerging cost of living crisis and the impact on the ENTE and wider economic planning. JSC asked JOSC to review if the recommendations are post-pandemic or general economy recommendations; to prioritise the recommendations based on realistic delivery and resource and to reframe the JOSC report to reflect that ENTE is part of a wider economic strategy question and any recommendations moving forward to be consumed into wider economic planning.

3.4 In order to consider the request from JSC, JOSC reconstituted a small Working Group to review the ENTE report again and then prioritise the recommendations in the report for JSC to consider. Councillors Carol

Albury, Daniel Humphreys (appointed as Chairman), Paul Mansfield and Dan Hermitage (replaced by Councillor Jon Roser) were appointed to the Working Group which met on 31 August 2022 to undertake its work. The Working Group reviewed and prioritised the recommendations, the details of which can be found in this [linked report](#).

- 3.5 At JOSC in [October 2022 a final report](#) came forward from the Working Group that responded to the JSC request in July 2022 and subsequently confirmed recommendations to the Executive Members for consideration. This report provides feedback to those recommendations in terms of an Adur and Worthing perspective.

4. Responding to the recommendations

- 4.1 At the [December 2022 Joint Strategic Committee](#), it was agreed to refer the findings and recommendations from JOSC and its Working Group to the relevant Adur and Worthing Cabinet Members (Adur Cabinet Member for Communities and Wellbeing and the Worthing Cabinet Member for Culture & Leisure) who had responsibility for this area of work, for consideration and action, the outcomes from which should be reported back to JOSC as part of the annual reviews of the ENTE which are to be included on the JOSC Work Programme.

- 4.2 This report provides the feedback to those recommendations and indicates those that will be taken forward and those that won't, although on the latter a reason has been provided as to why this won't be taken forward at this particular time.

4.3 Worthing Borough Council response

4.3.1 Following consultation with the Executive Member for Culture & Leisure, of which ENTE fits within the portfolio, the following actions have been agreed to be taken forward:

#	Recommendation	Agree (Yes / No / In part)	Response
1	Within the Corporate Strategy and Governance, ensure ENTE is captured and measured	Yes	The Council has set a series of priorities for 2023-24, one of which is to develop a ENTE Action Plan by Spring 2024. This aligns with Our

			Plan and, more specifically, the Place Missions of which ENTE will be captured as a work strand.
2	Continue to support ENTE businesses	In part	Support for businesses is being withdrawn from external partners due to reduction or no funding or the programme has ceased (e.g. Hot House Programme). Whilst the Council commits to continuing to liaise with all businesses, it should be noted there is limited support. However, as part of the Council's UK Shared Prosperity Fund allocation, a programme (with Adur) will launch in the new year that will provide consultancy and grant support for a two year period. ENTE businesses will be encouraged to be part of the programme of support.
3	Work with stakeholders, including the Police and Safer Communities Partnership in the context of ENTE	Yes	There is a commitment to work with key stakeholders, including Worthing Town Centre BID to continue to share knowledge and expertise regarding the ENTE. The Council continuously liaises via the Safer Communities Partnership in which the strategy for that group runs until 2024 . Within that strategy ENTE is specifically referenced.
4	Annual Report on ENTE activity	Yes	The Council will establish an ENTE Action Plan and therefore this will be where ENTE activity will be monitored and tracked, linked to the Council's work around the town centre management. The work of the Action Plan will be made available to JOSOC to review on an annual basis.
5	Review the event programme and consider new opportunities to support ENTE, this includes how this could support overnight stays	In part	A much broader review of the events programme will take place from 2024 but this won't exclusively look at ENTE activity. This review will assess the opportunities to either change, add or remove events from the programme and it's anticipated

			that the ENTE Action Plan will focus on events in respect of the shoulder seasons of primarily October / November and February / March. It should be noted that the Council only directly delivers one event that supports the ENTE being Jack on the Green, the majority are coordinated by private organisations and community groups.
6	Levelling Up Bill and explore new statutory powers to effect the ENTE	In part	It is accepted that the Council needs to continuously review its powers that could affect the ENTE, however it should be noted that not all levers are held by the public sector. Whilst controls can be put in place around licensing and planning policy, the final occupation and delivery will be determined by the private sector, in the case of unit activation. However, powers will be explored around other areas such as improving safety.
7	To work with the Neighbourhood Watch Coordinators to help with regular audits of ENTE, which identifies areas of improvement	Yes	It's important the Council listens and responds to its community, therefore continued active dialogue with the Adur & Worthing representative, and any local neighbourhood watch groups, will be important. Where possible, there is always an Officer and Member in attendance. The level of resource will need to be determined to connect to these groups and how this aligns with other stakeholders and meetings.
8	Adur Only item	No	Not applicable
9	ENTE also addresses commitments around climate change, including sustainable travel, improving air quality, reduction in waste, recycling etc.	In part	Sustainability needs to be embedded into all aspects of the Council, therefore it's not anticipated there will be a dedicated strand of work for ENTE businesses. However, it is agreed that ENTE businesses will be captured when the Council is undertaking wider communications, promotions or interventions

			regarding this agenda. For example, a number of ENTE businesses are taking advantage of the Food Waste service, whilst sustainability is also critical to any businesses wanting to be part of local events. The Council is also reviewing the possibility of the Good Business Charter, which also has sustainability as a key criteria.
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4.3.2 The following table relates to those recommendations contained in the 2020 report, including the response and / or action to be taken forward:

#	Recommendation	Agree (Yes / No / In part)	Response
1	To set up a specific ENTE Transport Working Group, and reignite the Quality Bus Partnership	In part	A separate ENTE transport group won't be set up as the Council already has a number of working groups looking at transport measures, most notably the Sustainable Transport Group, which meets monthly. It's been agreed that any working groups will consider ENTE travel in the context of the broader transport matrix of Worthing. The Council re-established the Bus Partnership from May 2023; a quarterly meeting that brings together all operators running in and through Worthing.
2	To coordinate a review of the lighting in town and village centres and the consider ENTE in public realm improvements, including improvements to car parks	In part	West Sussex County Council (WSCC), as the Highways Authority, are the primary providers of ENTE lighting via the PFI lighting across the Borough and town centre. Any review and improvements should be led by WSCC. However, as the Council works with WSCC on a series of public realm schemes (e.g. Montague Place), lighting improvements will be taken into consideration as part of those designs and works. This will be the same consideration for any car park upgrades. It's not anticipated that a

			lighting review will take place across the town centre due to limited control on this particular area.
3	To ensure improvements are made to areas in the town centre, including cleanliness	In part	The Council is a partner in keeping the town centre clean and tidy, mostly through waste services. It is also important that partnership work is undertaken with WSCC and Worthing Town Centre BID, both of which also have funds to support the cleanliness of the place. A regular walkabout is undertaken, instigated by the Council, with key stakeholders to monitor the cleanliness of the place and react where necessary. For example, a 'collective clean' was organised in the town centre ahead of the school summer holidays in July with the aforementioned stakeholders and many more.
4	To assess licensing parameters and determine whether longer opening hours can be established in partnership with key stakeholders	Yes	Within the ENTE Action Plan, it's anticipated that licensing parameters will be reviewed, in the context of what the Council can and can't do in respect of the statutory duty. However, the Council may be able to offer extended hours in the future and implementation will be down to each individual business / applicant as they assess multiple factors. With increased hours comes increased staff and utility costs, therefore in the current economic climate these will be key factors that businesses will need to assess. In addition, any changes will also need to be agreed with key stakeholders, most prominently the police. The other consideration will be location as a balance will need to be struck between extended business use and the proximity to residential use in the town centre.
5	To invest further funding into the town centre to	No	The Council has limited financial capacity and there is no additional

	promote the ENTE		funding that will be able to be directly attributed to the ENTE. There are other work programmes, such as the Town Centre Reactive Maintenance Programme and Time for Worthing, both of which indirectly contribute to supporting the ENTE. However, there is a commitment to continually review external funding sources that may support ENTE as the Council has previously received funding for this area, especially around safer communities.
6	Achievement of Purple Flag status and continuation of the award	In part	Purple Flag status, a national accreditation for supporting ENTE, was achieved in 2019. The criteria used to measure success was useful, however the ongoing cost to maintain the accreditation didn't match against the benefits received. However, the framework of Purple Flag will be used to guide the ENTE Action Plan to ensure consistency in approach.

4.4 Adur District Council response

4.4.1 Following consultation with the Executive Member for Communities and Wellbeing, of which ENTE fits within the portfolio, the following actions have been agreed to be taken forward:

#	Recommendation	Agree (Yes / No / In part)	Response
1	Within the Corporate Strategy and Governance, ensure ENTE is captured and measured	Yes	The Council will be setting a series of priorities for 2023-24 at September JSC Sub Committee, one of which is to continue to support the local economic town and village centres. This aligns with Our Plan and, more specifically, the Place Missions of which ENTE will be captured as a work strand. These will take into consideration the very

			different market served by ENTE in Adur compared with Worthing.
2	Continue to support ENTE businesses	Yes	Support for businesses is being withdrawn from external partners due to reduction or no funding or the programme has ceased (e.g. Hot House Programme). Whilst the Council commits to continuing to liaise with all businesses, it should be noted there is limited support. However, as part of the Council's UK Shared Prosperity Fund allocation, a programme (with Worthing) will launch in the new year that will provide consultancy and grant support for a two year period. ENTE businesses will be encouraged to be part of the programme of support. Furthermore, the Council has directly intervened around anti-social behaviour by providing a series of workshops to allow businesses to share concerns with the Council and the police. This will continue.
3	Work with stakeholders, including the Police and Safer Communities Partnership in the context of ENTE	Yes	There is a commitment to work with key stakeholders, including with Trader Associations to continue to share knowledge and expertise regarding the ENTE. The Council continuously liaises via the Safer Communities Partnership in which the strategy for that group runs until 2024 . Within that strategy ENTE is specifically referenced.
4	Annual Report on ENTE activity	In part	Due to Adur having three very distinct places and ENTE serving the local population rather than a major economic sector serving a significant proportion of visitors, the Council won't be pursuing an ENTE plan/s, however all relevant work will be picked up through other working groups, including the work around town / village centre maintenance and safer communities partnership.

			These updates can be made available to JOSOC to review on an annual basis.
5	Review the event programme and consider new opportunities to support ENTE, this includes how this could support overnight stays	In part	A much broader review of the events programme will take place from 2024 but this won't exclusively look at ENTE activity. This review will assess the opportunities to either change, add or remove events from the calendar. Equally, it should be noted that Adur doesn't have a high volume of events due to limitations on land availability and appropriate event locations. The Council only directly delivers two events that support the ENTE being Light Up Shoreham and Southwick Christmas Market.
6	Levelling Up Bill and explore new statutory powers to effect the ENTE	In part	It is accepted that the Council needs to continuously review its powers that could affect the ENTE, however it should be noted that not all levers are held by the public sector. Whilst controls can be put in place around licensing and planning policy, the final occupation and delivery will be determined by the private sector, in the case of unit activation. However, powers will be explored around other areas such as improving safety. A Levelling Up bid is being made for Lancing and ENTE is being considered as part of this bid.
7	To work with the Neighbourhood Watch Coordinators to help with regular audits of ENTE, which identifies areas of improvement	Yes	It's important the Council listens and responds to its community, therefore continued active dialogue with the Adur & Worthing representative, and any local neighbourhood watch groups, will be important. Where possible, there is always an Officer and Member in attendance. The level of resource will need to be determined to connect to these groups and how this aligns with other stakeholders and meetings.

8	Coordinate the setting up of an Adur ENTE Hospitality Scheme, to operate in a similar way to PubWatch	No	Whilst this is a sound recommendation, the Council currently hasn't the capacity to set up, support and, probably in the short term, administer a working group similar to PubWatch. Further the level and number of issues facing publicans in Adur are significantly lower than Worthing due to the different market served. In addition the town and village centres are very dispersed making coordination much more challenging unless done at a very local level. The Council is happy to ask the question of publicans and the hospitality businesses to generate interest in the idea as any group needs to be independently run if it is to have any traction or success.
9	ENTE also addresses commitments around climate change, including sustainable travel, improving air quality, reduction in waste, recycling etc.	In part	Sustainability needs to be embedded into all aspects of the Council, therefore it's not anticipated there will be a dedicated strand of work for ENTE businesses. However, it is agreed that ENTE businesses will be captured when the Council is undertaking wider communications, promotions or interventions regarding this agenda. For example, a number of ENTE businesses are taking advantage of the Food Waste service, whilst sustainability is also critical to any businesses wanting to be part of local events. Further the core market for ENTE in Adur is the local community. Consequently, the policy to improve walking and cycling facilities will improve sustainability.

4.4.2 The following table relates to those recommendations contained in the 2020 report, including the response and / or action to be taken forward:

#	Recommendation	Agree (Yes / No / In part)	Response
1	To set up a specific ENTE Transport Working Group, and reignite the Quality Bus Partnership	In part	A separate ENTE transport group won't be set up as the Council already has a number of working groups looking at transport measures. It's been agreed that any working groups will consider ENTE travel in the context of the broader transport matrix of Adur, however it should be noted that the Council will also rely on West Sussex County Council to support this recommendation.
2	To coordinate a review of the lighting in town and village centres and the consider ENTE in public realm improvements, including improvements to car parks	In part	WSCC, as the Highways Authority, are the primary providers of ENTE lighting via the PFI lighting across the District and town / village centres. Any review and improvements should be led by WSCC. However, as the Council works with WSCC on a series of public realm schemes (e.g. Southwick Square), lighting improvements will be taken into consideration as part of those designs and works. This will be the same consideration for any car park upgrades. It's not anticipated that a lighting review will take place across our town / village centres due to limited control on this particular area and our dispersed centres.
3	To ensure improvements are made to areas in the town / village centres, including cleanliness	In part	The Council is a partner in keeping the town and village centres clean and tidy, mostly through waste services. It is also important that partnership work is undertaken with WSCC, the Parish Councils and Trader Associations to support the cleanliness of our places. Regular walkabouts happen across Lancing, Shoreham and Southwick, instigated by the Council, with key stakeholders to monitor the

			cleanliness of the place and react where necessary.
4	To assess licensing parameters and determine whether longer opening hours can be established in partnership with key stakeholders	In part	In line with day-to-day work, it's anticipated that licensing parameters will be reviewed, in the context of what the Council can and can't do in respect of the statutory duty. However, the Council may be able to offer extended hours in the future and implementation will be down to each individual business / applicant as they assess multiple factors. With increased hours comes increased staff and utility costs, therefore in the current economic climate these will be key factors that businesses will need to assess. In addition, any changes will also need to be agreed with key stakeholders, most prominently the police. The other consideration will be location as a balance will need to be struck between extended business use and the proximity to residential use in our town / villages centres.
5	To invest further funding into the town centre to promote the ENTE	No	The Council has limited financial capacity and there is no additional funding that will be able to be directly attributed to the ENTE. There are other work programmes, such as the Town Centre Reactive Maintenance Programme, which indirectly contributes to supporting the ENTE. However, there is a commitment to continually review external funding sources that may support ENTE as the Council has previously received funding for this area, especially around safer communities.
6	Achievement of Purple Flag status	No	Purple Flag status, a national accreditation for supporting ENTE, hasn't been considered in Adur due to the different functions the town and villages play in the District. The

			accreditation is not considered a priority at this time, however the framework of Purple Flag could be used in connection with a number of recommendations contained in this report.
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5. Engagement and Communication

- 5.1 The JOSCS Chairpersons and Vice-Chairpersons have been consulted on all previous reports and the previous Working Groups have undertaken consultation with the local communities and relevant stakeholders, whether directly as part of onsite visits or via community questionnaires and consultations.
- 5.2 The Executive Members for which they have ENTE in their portfolio, have been consulted. It should be noted that whilst some recommendations won't be taken forward, both Executive Members expressed their desire for Officers to ensure there is a cross-departmental view and relationship when delivering interventions around the ENTE.

6. Financial Implications

- 6.1 There are no direct financial implications relating to this report, however, there may be financial implications arising from some of the recommendations when they are implemented.

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 may do (subject to any current restrictions or limitations prescribed in existing legislation).

Background Papers

- Previous reports from the JOSC Working Groups as set out above - March 2020 and March 2022.
- Report to Joint Strategic Committee on 5 July 2022 and the subsequent minute.
- Report to Joint Strategic Committee on 6 December 2022 and the subsequent minute

Sustainability & Risk Assessment

1. Economic

Matter considered. The issues contained in the Working Group report relate to the economic recovery of the evening and night time economy.

2. Social

2.1 Social Value

Matter considered. An improved evening and night time economy will improve social value for the communities of Adur and Worthing and visitors to the towns and village centres.

2.2 Equality Issues

Matter considered and no significant issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered. The report from the Working Group has investigated public safety and other community safety issues which are detailed in the report.

2.4 Human Rights Issues

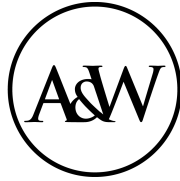
Matter considered and no significant issues identified.

3. Environmental

The report from the JOSC Working Group has reviewed the environmental issues connected with the evening and night time economy and identified some issues to help climate change, air quality and encourage sustainability.

4. Governance

Matter considered. The JOSC Working Group has been set up in accordance with the JOSC Procedure Rules and forms part of the agreed JOSC Work Programme for 2022/23. Recommendations from the review will need to be presented to the Joint Strategic Committee for consideration.



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

JOSC Work Programme review

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report outlines progress and plans for implementing the work contained in the Joint Overview and Scrutiny Committee (JOSC) Work Programme for 2023/24.

2. Recommendations

2.1 That JOSC notes the progress to deliver the JOSC Work Programme for 2023/24 and agrees to the proposed changes required to accommodate discussions with the Sussex Police & Crime Commissioner and Southern Water as set out in Section 4 of the report.

3. Context

3.1 The JOSC Work Programme for 2023/24 was agreed by the Committee in March and confirmed by both Councils in April 2023. It is usual practice for the Work Programme to be reviewed at each meeting during the Municipal

Year and the previous review was undertaken at the JOSC meeting on 6 July 2023. A copy of the 2023/24 Work Programme is attached as part of the Appendix A to this report and any reviews and changes to this have been agreed in consultation with the JOSC Chairs and Vice-Chairs. The Work Programme now includes a RAG (Red, Amber, Green) status to reflect how long items have been on the Work Programme and /or changes to when the item is expected to be presented to JOSC. This will help JOSC manage and prioritise its Work Programme and is one of the new options introduced by JOSC at its previous meeting as part of the new ways of working.

- 3.2 Paragraph 9.2 of the Joint Overview and Scrutiny Procedure Rules, which form part of the Councils' Constitutions and are binding on all Members, states that the work programme will be approved by both Councils. A report must also be taken to each full Council on an annual basis detailing any changes to the Work Programme and this is usually reported mid year and for 23/24 this will be done in December 2023.

4. Issues for consideration

- 4.1 Items for the JOSC Work Programme need to be chosen guided by how closely they align with the Councils' Strategic objectives, how the Committee can influence the outcomes and also general value and outcomes in accordance with the (PAPER criteria) - (P) - Public Interest, (A) - Ability to change, (P) - Performance, (E) - Extent and (R) - Replication.
- 4.2 The Committee is requested to review the draft Work Programme and consider if any further items are required to be added to the Work Programme. During the Municipal Year, items may be added to the JOSC Work Programme, where appropriate. Requests for additional matters to be included in the Work Programme will initially be considered by the Joint Chairs in accordance with the criteria and they will make their recommendations to the next JOSC for consideration and determination following receipt of the Officer report. Consideration should also be given to the capacity of the Committee and resources available when considering further Work Programme items. JOSC should also use the Forward Plan of Key decisions as a tool to identify and scrutinise items before the Executive decision is taken. This will assist in the Pre scrutiny role and the latest editions of the Forward Plan can be accessed here - [Forward plan of Key decisions](#)
- 4.3 The JOSC meeting on 6 July 2023 requested that the Committee should hold interview question and answer sessions with the Sussex Police and Crime Commissioner and Local Police Commander to discuss local policing and anti

social behaviour issues and should also interview the Chief Executive Officer of Southern Water regarding issues of concern. These matters have been discussed with the Joint Chairs in order to finalise the best approach, taking into account the availability of attendees, time available and the existing business on the JOSC Work Programme.

- 4.4 **Southern Water** Officers are very keen to engage in a meaningful way with JOSC and are willing to attend JOSC in early November, however, as an alternative to them attending the Committee on that date, they would like to offer all JOSC Members a tour of a local working wastewater treatment plant to provide a comprehensive overview of the Southern Water work and how it impacts on Adur and Worthing residents. They have taken that approach with other Local Authorities in the region, who have found it very beneficial to see the process first-hand, which often answers many questions.
- 4.5 If JOSC agree to this approach then it is envisaged that the tour could be followed by a full question and answer session in a meeting room on site with a full transcript taken to ensure full accountability and transparency. (Questions could be submitted in advance with the opportunity for the public to provide questions for Members to put to Southern Water). A follow up item could then be added to a JOSC agenda for JOSC to review the issues discussed in the public arena and consider if any recommendations or follow up action needs to be taken. It is anticipated that a tour could be arranged in a shorter timescale than the Committee meeting (late September or October), meaning that the discussions will be ahead of any emerging issues.
- 4.6 **The Sussex Police & Crime Commissioner** has accepted the invitation to attend JOSC and can attend the JOSC meeting on Thursday 30 November. It is suggested that the JOSC meeting on that evening could start earlier at 6pm to accommodate this interview session with the Commissioner and existing business. It is also proposed that the interview with the Chief Executive regarding 'Our Plan' should be deferred to an alternative date to be confirmed which will allow more time for the Commissioner interview.
- 4.7 JOSC Chairs and Vice-Chairs support the proposals suggested for these additional interviews and JOSC is requested to confirm the approach.

5. Engagement and Communication

- 5.1 The JOSC Chairs and Vice-Chairs have been consulted on the proposals contained in this report and in the Work Programme.

6. Financial Implications

- 6.1 There are no direct financial implications to consider within this report, however, some items contained in the Work Programme do have financial implications for the Councils.

7. Legal Implications

- 7.1 Under Section 111 of the Local Government Act 1972, the Councils have 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.
- 7.4 Paragraph 9.2 of the current Joint Overview and Scrutiny Procedure Rules, which form part of the Councils' Constitutions and are binding on all Members, states that the Work Programme will be approved by both Councils. A report must be taken to both Councils on an annual basis seeking both Councils' approval of the Joint Overview and Scrutiny Committee work programme for the forthcoming year and any changes to the Work Programme should be submitted to the Councils approximately mid year for noting.

Background Papers

Joint Overview and Scrutiny Procedure Rules

Officer Contact Details:-

Mark Lowe

Scrutiny and Risk Officer

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Sustainability & Risk Assessment

1. Economic

Some of the issues scrutinised as part of the Work Programme could impact on the development of our places or the economic participation of our communities if implemented.

2. Social

2.1 Social Value

Some of the issues to be scrutinised as part of the Work Programme will have an impact on the communities.

2.2 Equality Issues

Matter considered and no direct issues identified.

2.3 Community Safety Issues (Section 17)

Some of the issues being scrutinised will have community safety implications.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

Matter considered. The Work Programme includes an item to receive an update on the Councils approach to climate change.

4. Governance

- 4.1 Matter considered and no direct issues identified. It is good practice for an Overview and Scrutiny Committee to set its Work Programme ahead of the Municipal Year. The current Joint Overview and Scrutiny Procedure Rules state that the Work Programme will be approved by both Councils and that any changes to the Work Programme should be submitted to the Councils approximately mid year for noting.



ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision - No

Ward(s) Affected:N/A

Interview with Adur Cabinet Member for Communities and Wellbeing

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out background information on the Portfolio of the Adur Cabinet Member for Communities and Wellbeing to enable the Committee to consider and question the Cabinet Member on issues within his portfolio and any other issues which the Cabinet Member is involved in connected with the work of the Council and the Adur communities.

2. Recommendations

2.1 That the Committee consider any representations from the Cabinet Member on the work within his Portfolio and other issues which the Cabinet Member is involved in and question the Cabinet Member on this and recommend any suggested action or make appropriate comments to the Cabinet Member for his consideration.

3. Context and Purpose of Scrutiny

- 3.1 As part of its Work Programme for 2023/24, the Joint Overview and Scrutiny Committee (JOSC) have agreed to interview the Adur and Worthing Cabinet Members on their priorities for 2023/24.
- 3.2 As part of its fact finding/investigative role, the Joint Overview and Scrutiny Committee is asked to consider the roles and responsibilities of the Adur Cabinet Member for Communities and Wellbeing, Councillor Kevin Boram. It is part of the Scrutiny role to fact find/investigate in the form of questions and JOSC is asked to direct questions to the Cabinet Member on any issues involving the Cabinet Member and also issues relating to his portfolio.
- 3.3 The Committee is entitled to ask for further investigation into items where it may not be satisfied with the progress as described and can recommend action or make comments to the Cabinet Member for consideration.
- 3.4 The Cabinet Member was previously interviewed by JOSC at its meeting on 24 November 2022 - The minute extract (JOSC 53/22/23) which includes the detail of the previous discussion and previous questions from that interview is set out here [JOSC Minutes 24/11/22](#) Individual decisions made by the Cabinet Members can be found from the following link: [Individual Member Executive Decisions](#)

4. Issues for consideration

- 4.1 The Adur Cabinet Member for Communities and Wellbeing has responsibility for the following:-
- Community safety, antisocial behaviour management, neighbourhood disputes, safer communities.
 - Community development, including cohesion and planning, fuel poverty, wellbeing hubs.
 - Public health, health protection and enforcement, including Food Safety Enforcement Plan.
 - Cross-cutting health issues and NHS liaison.
 - Equalities and diversity.
 - Children and young people.
 - Partnership working, with voluntary and community organisations (including the Local Strategic Partnership, grants and commissioning).

- Health and safety and civil contingencies (emergency planning), including business continuity.
- Wellbeing and development functions for culture, leisure and sport, including the cultural strategy.
- Police performance and intelligence liaison.
- Environmental protection, including noise, food hygiene, pest control, air quality.

4.2 JOSC is requested to ask questions of the Cabinet Member based on his responsibilities outlined in paragraph 4.1 including any high level strategic issues relating to the Councils and our communities.

5. Engagement and Communication

5.1 The JOSC Chairs and Vice-Chairs and the Cabinet Member have been consulted on the proposals contained in this report.

6. Financial Implications

6.1 There are no direct financial implications to consider within this report.

7. Legal Implications

7.1 JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.3 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.

Background Papers

Priorities for Adur District Council agreed by Joint Strategic Sub-Committee 29

September 2022 - [New priorities](#)

Our Plan - A three year framework for Adur and Worthing Councils

[Our Plan](#)

Officer Contact Details:-

Mark Lowe

Scrutiny and Risk Officer

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Sustainability & Risk Assessment

1. Economic

Matter considered and no direct issues identified.

2. Social

2.1 Social Value

Matter considered. Issues within the Cabinet Member Portfolio and actions taken by the Cabinet Member can help improve the wellbeing of individuals and communities.

2.2 Equality Issues

Matter considered. The Cabinet Member is responsible for equalities and diversity issues.

2.3 Community Safety Issues (Section 17)

Matter considered. The Cabinet Member has responsibility for Community safety, antisocial behaviour management, neighbourhood disputes and safer communities.

2.4 Human Rights Issues

Matter considered and no direct issues identified.

3. Environmental

Matter considered and no direct issues identified.

4. Governance

Matter considered. JOSOC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

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ADUR & WORTHING
COUNCILS

Joint Overview and Scrutiny Committee
7 September 2023

Key Decision [No]

Ward(s) Affected:N/A

Interview with the Adur Cabinet Member for Adur Homes and Customer Services

Report by the Director for Sustainability and Resources

Executive Summary

1. Purpose

1.1 This report sets out background information on the Portfolio of the Adur Cabinet Member for Adur Homes and Customer Services to enable the Committee to consider and question the Cabinet Member on issues within his portfolio and any other issues which the Cabinet Member is involved in connected with the work of the Council and the Adur communities.

2. Recommendations

2.1 That the Committee consider any representations from the Cabinet Member on the work within his Portfolio and other issues which the Cabinet Member is involved in and question the Cabinet Member on this and recommend any suggested action or make appropriate comments to the Cabinet Member for his consideration.

3. Context and Purpose of Scrutiny

- 3.1 As part of its Work Programme for 2023/24, the Joint Overview and Scrutiny Committee (JOSC) have agreed to interview the Adur and Worthing Cabinet Members on their priorities for 2023/24.
- 3.2 As part of its fact finding/investigative role, the Joint Overview and Scrutiny Committee is asked to consider the roles and responsibilities of the Adur Cabinet Member for Adur Homes and Customer Services, Councillor Carson Albury. It is part of the Scrutiny role to fact find/investigate in the form of questions and JOSC is asked to direct questions to the Cabinet Member on any issues involving the Cabinet Member and also issues relating to his portfolio.
- 3.3 The Committee is entitled to ask for further investigation into items where it may not be satisfied with the progress as described and can recommend action or make comments to the Cabinet Member for consideration.
- 3.4 The Cabinet Member was previously interviewed by JOSC at its meeting on 22 September 2022 - The minute extract (JOSC 28/22-23) which includes the detail of the previous discussion and previous questions from that interview is set out here [JOSC minutes 22/9/22](#) Individual decisions made by the Cabinet Members can be found from the following link: [Individual Member Executive Decisions](#)

4. Issues for consideration

- 4.1 The Adur Cabinet Member for Adur Homes and Customer Services has responsibility for the following:-
- Customer contacts and services, including Help Points.
 - Housing and Council Tax benefits (Adur).
 - Housing - Housing Revenue Account, ACF Tenants' Services, anti-social behaviour / neighbourhood disputes in relation to tenants, sheltered housing, leasehold administration, Adur Housing Voice, Adur Talkback, Choice Based Lettings, Community Alarm, Grounds Maintenance and Building Cleaning, Adur Homes Service, Temporary Accommodation Management.
 - Housing strategy and housing enabling role; affordable housing provision; housing register need options and advice.
 - Housing - non Housing Revenue Account - including homelessness and advice (prevention and management), private sector housing and other housing services - choice based lettings, grants (disability and housing).

- Adur Homes Board.

4.2 JOSC is requested to ask questions of the Cabinet Member based on his responsibilities outlined in paragraph 4.1 including any high level strategic issues relating to the Councils and our communities.

5. Engagement and Communication

5.1 The JOSC Chairs and Vice-Chairs and the Cabinet Member have been consulted on the proposals contained in this report.

6. Financial Implications

6.1 There are no direct financial implications to consider within this report.

7. Legal Implications

7.1 JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.

7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.3 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.

Background Papers

Priorities for Adur District Council agreed by Joint Strategic Sub-Committee 29
September 2022 - [New priorities](#)

Our Plan - A three year framework for Adur and Worthing Councils
[Our Plan](#)

Officer Contact Details:-

Mark Lowe

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Sustainability & Risk Assessment

1. Economic

Matter considered and no direct issues identified.

2. Social

2.1 Social Value

Matter considered and issues within the Cabinet Member Portfolio will impact on some sections of the community and those in housing need.

2.2 Equality Issues

Matter considered and no direct issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no direct issues identified.

2.4 Human Rights Issues

Matter considered and no direct issues identified.

3. Environmental

Matter considered and no direct issues identified.

4. Governance

Matter considered. JOSC is responsible for holding the Cabinet Members to account, reviewing their work and decisions and in accordance with the procedures outlined within the Joint Overview and Scrutiny Procedure Rules set out in the Councils' constitution, can request Cabinet Members to attend its meetings.