

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

Gordon Room, Worthing Town Hall

17 July 2024

Councillor Sophie Cox (Chair)

Adur District Council:

Jeremy Gardner
Lee Cowen
Becky Allinson
Jude Harvey
Saffa Jan
Sharon Sluman

Worthing Borough Council:

Rita Garner
John Turley
Vicki Wells
Rosey Whorlow

Absent

Councillor Caroline Baxter and Councillor Ödül Bozkurt

JSC/1/24-25 Declarations of Interests

There were no declarations of interest.

JSC/2/24-25 Minutes

Resolved: that the minutes from the Joint Strategic Committee meeting held on 12 March 2024, be approved as the correct record

JSC/3/24-25 Public Question Time

There were no questions from the public.

JSC/4/24-25 Items Raised under Urgency Provisions

There were no items raised under urgency provisions.

JSC/5/24-25 Members Questions

There were no pre submitted questions from Members.

**JSC/6/24-25 Ending the Pilot Scheme and Review of Joint Strategic
Committee Working Arrangements**

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

On 7th June 2022, the Joint Strategic Committee agreed to a pilot scheme delegating decisions that 'solely' affected one council to a sub-committee of the relevant Council's Cabinet Members. On 11th July 2023 that pilot scheme was extended to July 2024. The previous reports to the Committee are set out in the background papers and referred to in this report. Also on 7th June as part of the pilot scheme, the Joint Strategic Committee agreed to limit the number of Cabinet Members attending the Committee to an equal number from each Cabinet up to a total of six members. The purpose of the Report before Members was to set out how the Cabinets of each Council would operate together as the Joint Strategic Committee under the Joint Committee Agreement made between Adur District and Worthing Borough Councils (when the Councils merged their support services) and to propose that use of the Pilot Scheme should come to an end.

Decision:

- 1) That the Contents of the report be noted and the discontinuance of the Pilot Scheme on the terms set out in the report be authorised.
- 2) That the matters referred to in the report be noted and the amendment to the Joint Committee Agreement proposed by the Monitoring Officer at Paragraph 5 be agreed and recommended to the Joint Audit & Governance Committee for approval and referral to each Full Council.
- 3) That the change to the JSC Agenda layout also at paragraph 5 be noted.
- 4) That the Joint Chairs agree that, pursuant to Clause 4.1(g) of the Joint Committee Agreement that the meeting locations for the Joint Strategic Committee shall be (where availability of rooms permits) alternated between Adur and Worthing Venues, as drafted in the attached Schedule of Meetings at Appendix 1.

Call In: The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/7/24-25 Joint Priorities for Adur & Worthing Councils

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

The report sought to agree the joint priorities for Adur and Worthing Councils. Increasing demand for services in Adur and Worthing, years of inadequate central government funding and the urgent need for action to mitigate climate change means the way the councils had worked had become unaffordable and unsustainable.

Businesses and community organisations faced similar challenges. However, if the councils worked with them in partnership, the needs of Adur and Worthing citizens could be met.

The election of two administrations with the same mindset was an opportunity to strengthen the partnership between the two councils for the benefit of their communities.

The report before members outlined the proposed approach and strategic priorities for the next municipal year.

Decision:

- 1) That the joint priorities be agreed,
- 2) That the work programme as outlined in the 2024 Annual Performance Update be noted

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/8/24-25 Annual Performance Update

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

Adur & Worthing Councils had launched a single organisational work programme to better prioritise and manage programmes to align with council priorities and resources, with improvement in place to better track progress and manage projects. The organisation monitored the corporate performance of its services using thirty nine indicators.

The report outlined the work programme for Adur and Worthing Councils, initial progress on the work programme, updated the annual performance of the councils and outlined the governance for how programmes and performances would be managed.

Decision:

- 1) That the the work programme for Adur & Worthing Councils arising from the adoption of the Our Plan be agreed
- 2) That the performance of council services be noted
- 3) That mitigations on the areas at risk be agreed
- 4) That the governance for managing programmes and performance be noted

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/9/24-25 Financial Performance 2023/24 - Revenue Outturn

Before the Committee was a report by the Director of Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 9.

The report outlined the revenue financial monitoring position for the end of the 2023/24 financial year for the Joint Strategic Committee, Adur District and Worthing Borough Councils. At the time of publication of the report, the Statements of Accounts had been completed and the audit was due to commence in July, any adjustments that emerge during the audit will be reported to members later in the year

The final position for operational services was an underspend for Adur District Council of £598k and an overspend in Worthing Borough Council of £3.052m. This was compared to the projections reported at quarter 3 when operational outturns were predicted to be an underspend of £119k in Adur and an overspend of £2.142m in Worthing before any use of reserves.

Overall outturn positions were an underspend of £515k in Adur District Council and an overspend of £1.6m in Worthing Borough Council. This represents a 3% underspend against the budget for Adur and 12% overspend in Worthing. During the year there have been significant in-year spend controls and savings processes implemented to mitigate against a much larger projected overspend identified earlier in the year.

Members welcomed the report and the work that had been undertaken by officers to control spending. It was noted that changes to housing subsidy had negatively affected the overall budget position.

Decision:

- 1) That the report and outturn position for Worthing Borough Council against the approved revenue budgets and proposed use of reserves (Appendix 2b) be noted.
- 2) That the report and outturn position for Adur District Council against the approved revenue budgets and proposed use of and contributions to reserves (Appendix 3b) be noted.

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/10/24-25 Financial Performance 2023/24 - Capital and Projects Outturn

Before the Committee was a report by the Director of Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 10.

This report outlined the financial monitoring position for the end of the 2023/24 financial year for capital schemes included in the capital programmes of the Joint Strategic Committee, Adur District Council and Worthing Borough Council. Information was also provided in respect of capital receipts for the 2 constituent authorities.

Decision

- 1) That the outturn position for 2023/24 be noted
- 2) That it be recommend that Adur District Council at its Council meeting on 18th July 2024:
 - a. Note the overall capital final outturn for 2023/24.
 - b. Agree the net carry over of General Fund Capital underspends for Adur District Council as detailed in paragraphs 5.4.
 - c. Approve the financing of the Adur District Council 2023/24 Capital Investment Programme, including the use of capital receipts as set out in paragraphs 5.1, 5.2 and 5.3
 - d. Approve the carry forward of Council resources underspends to fund an increased contingency as reviewed in 5.6 and summarised in paragraph 5.7.
- 3) To recommend that Worthing Borough Council at its Council meeting on 23rd July 2024:
 - a. Note the overall capital final outturn for 2023/24.
 - b. Agree the net carry over of General Fund Capital underspends for Worthing Borough Council as detailed in paragraph 5.11.
 - c. Approve the financing of the Worthing Borough Council 2023/24 Capital Investment Programme, including the use of capital receipts as set out in paragraphs 5.8, 5.9 and 5.10
 - d. Approve the carry forward of Council resources underspends to fund budget pressures as detailed paragraph 4.5.2 and reviewed in 5.13 with a summary in paragraph 5.14.
- 4) That the release of funding for schemes which had been added to the programme following cabinet approval in February 2024 and do not require the use of capital resources as detailed in 5.16 and 5.17 be approved
- 5) That the amendment to the Worthing Borough Council 2024/25 capital programme be approved, as set out in section 5.18 of the report. To include the budget for Colonnade House to match the grant funding and the correction to the requirement of funding from prudential borrowing.

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024. There are no call-ins for recommendations to Council

Before the Committee was a report by the Assistant Director Regenerative Development, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 11.

Statutory guidance placed a duty on Local Authorities to prepare an annual investment strategy to be approved by the full Council or equivalent, in advance of forthcoming financial years. 179 Agenda Item 11 This report provides an update on the recent investment activities and current position of the Strategic Property Investment Fund as of January 2024. This covered

- The current overall Fund structures and completions within the current financial year to date.
- Review of economic situation and Public Works Loan Board (PWLB) Funding criteria.
- Review and update of processes to support the ongoing structured and measured approach to property income generations and proactive risk management inherent in any property investment
- Update mechanisms to support the ongoing retention of a balanced portfolio with a move from initial income generation to income return approach as the Fund matures, with a focus on strategic asset management and long term capital preservation and growth.
- Outline of the future strategy to re-focus investment within the Councils' geographic areas including seeking more acquisitions where the Council can add commercial and social value to assets through repositioning, repurposing or redevelopment and for social housing, emergency and temporary homes.

The primary objective of the Commercial Property Investment Strategy (CPIS) was to build a balanced portfolio generating consistent revenue for the Councils' delivery of services for the benefit of Adur and Worthing.

Decision:

- 1) That the report which was recommended to the Joint Audit & Governance Committee on 21st March 2024 and no feedback and/or recommendations have been referred to the Joint Strategic Committee (JSC) be noted.
- 2) That the Joint Strategic Committee:
 - a. Agree the suggested delivery and governance model as set out in the report which will be approved by the full Council as part of the overall CPIS.
 - b. Approves that the average lot size be adjusted from £2m - £20m to £2m - £25m.
 - c. Recommends to Adur District Council and Worthing Borough Council to adopt the Commercial Property Investment Strategy for 2024/25.
 - d. Approves that the budget for future years may be brought forward with the approval of the relevant Executive Members for Resources, following their consideration of a business case.
 - e. Approves that value add and opportunistic investments, as per section 4.3.9, 4.4.9 and 4.6.3, can be acquired and approved under the CPIS in

consultation with the Executive Member for Resources considering a robust outline business and financial case.

- f. Approves that assets which were purchased for operational, local economy and regeneration purposes, will be separated in future SPIF reporting to those purchased for investment purposes.

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024. There are no call-ins for items recommended to Council

JSC/12/24-25 Update on the Organisational Design Programme

Before the Committee was a report by the Assistant Director Regenerative Development, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 12.

Significant reductions over many years in the central government grant provided to the councils, combined with challenges from inflation and cost of living pressures, mean the old ways of funding the councils' services were no longer fit for purpose.

The organisational design programme had been developed to ensure that the councils met this ongoing financial challenge in a way which reflects the ambitions of Our Plan which was there to ensure the organisation could deliver the joint priorities of the two councils.

The report before members updated the Joint Strategic Committee on the progress of the Organisational Design Programme

Decision:

- 1) That the Joint Strategic Committee agree the progress of the programme, including the:
 - a. Objectives;
 - b. Roadmap;
 - c. Progress on delivery of the Overall Programme;
 - d. Savings forecast;
 - e. Progress on individual areas of focus;
 - f. Building blocks;
 - g. Risks and mitigations;
 - h. Governance

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/13/24-25 New Financial Strategy

Before the Committee was a report by the Director for Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 13.

Since 2010, the Councils had adopted and delivered a financial strategy aimed at removing dependence on central government grant support. Despite the largely successful delivery of this strategy, it had become increasingly difficult for the councils to continue to deliver service efficiencies, returns on investment, income growth and maintenance of public assets year after year, while also continuing to provide the wide range of day to day council services which are under ever-increasing pressure, for example from rises in demand for housing support.

In recent years the growing gap in the strategic financing of local government had been significantly accelerated by multiple shocks and pressures, not least the pandemic, inflationary pressures, the cost of living, housing and climate change crises. These additional pressures had been addressed only very partially by additional government support in some areas, and councils had been forced to absorb these additional costs, creating significant strain on its dedicated workforce

The joint “Our Plan” strategic framework enabled the delivery of both Administrations priorities and is supported by the councils’ financial strategy, designed to provide a stable funding environment aligned to those priorities, maintaining core service delivery and managing key risks.

The report before members introduced new core principles and key goals which would be embedded across the councils’ key strategic areas, helping create a coherent, more joined-up and resilient long term approach.

The report outlined a set of strategic reviews underway that were aimed at delivering better long term strategic direction in key areas, enabling more coordinated and realistic programmes of activity. The reviews would carefully assess and prioritise work, testing alignment to Administration priorities and creating more focused programmes. In some areas this could require a shift in delivery approach, such as housing supply or major projects, to enable delivery of outcomes with less risk and cost.

Decision

- 1) That the new strategy be adopted and the delivery dates for the related strategic work and updated Medium Term Financial Strategy be noted. The key decisions in the new strategy are:
 - a. That the principles outlined in section 1 which will then be applied to the connected strategic reviews listed at 1.1 be agreed
 - b. That the change in the approach to developing the capital programme and the subsequent implications of this with respect to a smaller capital programme in the short term be agreed
 - c. That the development of a proposition development team to pursue external funding to mitigate current funding pressures and accelerate strategic work be agreed
 - d. That the approach for the update of the asset strategy which will simplify the portfolio and align it with administration priorities as well as building a bigger property resource be agreed

- 2) That the significant financial risks which the Council faced which the strategy will mitigate but not eliminate be noted

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/14/24-25 Delegated Authority for Local Nature Recovery Strategy

Before the Committee was a report by the Assistant Director for Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 14.

This report before members sought delegated authority for the Director for Sustainability and Resources, in consultation with the Adur Cabinet Member for the Environment and Leisure and the Worthing Cabinet Member for Environmental Services, to agree key stages in the preparation of the West Sussex Local Nature Recovery Strategy (LNRS).

Local Nature Recovery Strategies were introduced through the 2021 Environment Act. Responsible Authorities charged with a legal duty for producing the LNRS had been confirmed by the government. These were West Sussex County Council for the area of West Sussex and East Sussex County Council for the area covering East Sussex and Brighton & Hove. Adur District Council and Worthing Borough Council are Supporting Authorities under the LNRS regulations and will contribute to the preparation of the West Sussex LNRS.

Decision:

- 1) That authority be delegated to the Director for Sustainability and Resources, in consultation with the Adur Cabinet Member for the Environment and Leisure and the Worthing Cabinet Member for Environmental Services, to sign off key stages in the preparation and publication of the West Sussex LNRS.
- 2) That authority be delegated to the Director for Sustainability and Resources, in consultation with the Adur Cabinet Member for the Environment and Leisure and the Worthing Cabinet Member for Environmental Services, to submit formal representations as neighbouring authorities to the East Sussex and Brighton & Hove LNRS.
- 3) That the work underway to develop a more detailed Adur & Worthing Nature Plan be noted, building on the LNRS in support of delivery of both Administrations' priorities, which will be presented to Committee in October

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/15/24-25 Waste Service Redesign: Simpler Recycling & Food Waste Collections

Before the Committee was a report by the Director for Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 15.

In February 2024 this committee received a report setting out the requirements under the Government's Simpler Recycling Scheme. The report advised the committee of the risks associated with the implementation of the requirements, notably the lack of clarity regarding additional Government revenue and capital funding to pay for the new service. Due to lack of information regarding funding, the committee was not able to make any decisions regarding the implementation.

At the time DEFRA were still considering consultation responses on aspects of the scheme. The response to this consultation has now been published. This report sets out the final details of the scheme as informed by the consultation and provides an update on the funding situation. It seeks delegated authority to implement changes to residential waste collections in line with the new legislation, subject to certain criteria being met and within a defined budget to limit the financial exposure to the councils as a result of the implementation.

Decision:

- 1) That the phased roll out of food waste collections to residential properties within the additional resources received from the government for this purpose be agreed, specifically
 - a. That the service will be based on the 1-2-2 model (weekly food waste, 2 weekly refuse collection and 2 weekly recycling collection)
 - b. That the reach of the service will be determined by the additional resources (revenue and capital) made available through central government, with no additional drain on existing council resources
 - c. That the roll out of the service will be phased, the pace determined by funding availability
 - d. That the phasing will be based on the principles set out in section 7 of the report
- 2) That authority be delegated to the Director for Sustainability and Resources in consultation with the Adur Cabinet Member for Finance and Resources and the Worthing Member for Resources, to procure and enter into contracts for the supply of containers and vehicles to enable the council to proceed with the implementation of the new service.

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

Before the Committee was a report by the Director for Sustainability and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 16.

The report before members set out a motion (attached as Appendix 1) referred from the meeting of Adur District Council on 28 March 2024. Members of the Joint Strategic Committee were asked to consider and determine the Motion.

Decision

That the motion be accepted and a letter be sent to the relevant Ministers

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/17/24-25 Albion Street Update

Before the Committee was a report by the Director for Housing and Communities, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 17.

Members were given the latest position on the Albion Street new build project and sought approval of additional funds to support its delivery. The main contractor had become insolvent in August 2023 and a completion contract was underway, however the cost to complete was higher than anticipated and an additional budget was required to complete the work.

The report set out the background to the project, the latest position on costs and likely completion programme and sets out the financial implications for the Council.

Decision:

- 1) That the anticipated net increase in costs, and that the impact on scheme viability is that it still achieves the necessary financial targets be noted.
- 2) To approve the virement of an additional budget of £994,411 to enable the project at Albion Street to be completed. To vire £841,050 from existing budgets for the small sites programme, not currently committed to schemes. The remaining £153,361 is to be vired from capital budgets remaining from projected underspends for sites; Wilmot Road, Daniel Close and Gravelly Crescent.
- 3) That authority be delegated to the Director For Housing and Communities to enter into all necessary contracts and associated legal documentation to enable the project to progress through the remaining construction phase to completion

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

JSC/18/24-25 Construction Contract Award - Victoria Road, Worthing

Before the Committee was a report by the Director for Housing and Communities, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these minutes as Item 17.

The Victoria Road Housing Scheme and its budget was originally approved at Worthing JSC on 7 June 2022. Planning permission for the scheme was granted in April 2023 and demolition of the vacant Air Cadet portacabins took place in July 2023, funded by a grant from the Brownfield Land Release Fund, in preparation for the site's future redevelopment.

Since then, the project had been awarded grant funding from Homes England of £770,000 and the Development Team has invited tenders from contractors to deliver the scheme. The viability of the project had also been reassessed following the tender exercise.

In accordance with the recommendation contained in para 2.5 of the original report, the report before the Committee had been prepared in order for the Committee to review the final costs and viability of the scheme, approve the virement of Homes England grant into the scheme's budget, and approve the appointment of the preferred contractor to deliver the Main Works package.

Decision:

- 1) That the updated financial modelling undertaken by the Delivery team following fixed fee tender returns and grant receipt be noted, and it be further noted the viability of the Victoria Road scheme as a spend to save initiative.
- 2) That the final costs of the scheme of £3,497,457 (to include professional fees, construction and contingency) funded through Prudential borrowing and central government grant be approved.
- 3) That the award of the Main Works contract to Sunninghill Construction Company Ltd following the competitive tendering process undertaken earlier this year be approved.

Call In:

The call-in deadline for the decisions will be 5.00pm on 29 July 2024

The meeting was declared closed by the Chairman at 8.55 pm, it having commenced at 6.30 pm

Chairman