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31 January 2020

Dear Councillor,

A meeting of **CABINET** will be held in the **COUNCIL CHAMBER** at these offices on **MONDAY, 10TH FEBRUARY, 2020 at 4.00 pm** when your attendance is requested.

Yours sincerely,  
KATHRYN HALL  
Chief Executive

**A G E N D A**

	<b>Pages</b>
1. To receive Declarations of Interest from Members in respect of any matter on the Agenda.	
2. To receive apologies for absence.	
3. To confirm Minutes of the previous meeting held on 13 January 2020.	<b>3 - 6</b>
4. To consider any items that the Leader agrees to take as urgent business.	
5. Draft Corporate Plan and Budget for 2020/21.	<b>7 - 14</b>
6. Budget Management 2019/2020 – Progress Report April to December 2019.	<b>15 - 32</b>
7. Food Waste and Absorbent Hygiene Products - Collection Trial.	<b>33 - 44</b>

To: **Members of Cabinet:** Councillors J Ash-Edwards (Chair), J Llewellyn-Burke (Vice-Chair), J Belsey, R de Mierre, S Hillier, A MacNaughton and N Webster

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**Minutes of a meeting of Cabinet  
held on Monday, 13th January, 2020  
from 4.00 pm - 4.16 pm**

**Present:** J Ash-Edwards (Chair)  
J Llewellyn-Burke (Vice-Chair)

R de Mierre                      A MacNaughton  
S Hillier                              N Webster

**Absent:** Councillors J Belsey

**Also Present:** Councillors

**1. TO RECEIVE DECLARATIONS OF INTEREST FROM MEMBERS IN RESPECT OF ANY MATTER ON THE AGENDA.**

None.

**2. TO RECEIVE APOLOGIES FOR ABSENCE.**

The Leader noted that apologies had been received from Councillor John Belsey.

**3. TO CONFIRM MINUTES OF THE PREVIOUS MEETING HELD ON 18 NOVEMBER 2019.**

The minutes of the meeting held on 18 November 2019 were agreed as a correct record and signed by the Leader.

**4. TO CONSIDER ANY ITEMS THAT THE LEADER AGREES TO TAKE AS URGENT BUSINESS.**

None.

**5. PERFORMANCE MONITORING FOR THE SECOND QUARTER OF 2019/20.**

Emma Sheridan, Business Unit Leader for Community Services, Policy and Performance introduced the report.

The Deputy Leader highlighted the revised set of indicators for the Council.

In response to the Deputy Leader's query the Business Unit Leader confirmed that the performance indicators for Revenues and Benefits highlighted the increasing complexity of cases.

The Cabinet Member for Housing and Planning noted the number of families in temporary housing and advised it would have been higher if the Council had not bought properties to provide temporary housing.

The Cabinet Member for Customer Services noted the increase in footfall at The Orchards and enquired about the other shopping centres. The Business Unit Leader confirmed that officers are looking at methods to establish reliable foot fall figures for Burgess Hill and East Grinstead.

The Leader noted that it was a positive report and took the Members to the recommendations contained in the report, which were agreed unanimously.

## **RESOLVED**

Cabinet noted the contents of the report.

### **6. APPROVAL OF THE RECOMMENDATIONS CONTAINED IN THE HASSOCKS NEIGHBOURHOOD PLAN EXAMINATION REPORT**

Judy Holmes, Assistant Chief Executive introduced the report.

The Cabinet Member for Housing and Planning confirmed that Hassocks Neighbourhood Plan had been started in 2012 and he welcomed the progress the report represented.

The Cabinet Member for Community welcomed the acceptance by Hassocks Parish Council of the Inspector's recommendations.

In response to a Member's question the Assistant Chief Executive confirmed that Copthorne and Horsted Keynes were still working on their Neighbourhood Plans.

The Cabinet Member for Community Service welcomed the report.

The Leader noted the time taken to get Hassocks Neighbourhood Plan to Examination stage and welcomed Hassocks Parish Council's acceptance of the Examiners recommendations.

As no other Members wished to speak the Leader took Cabinet to the recommendations contained in the report, which were agreed unanimously.

## **RESOLVED**

Cabinet resolved to:

- a) formally accept the Examiner's recommended modifications to the Hassocks Neighbourhood Plan to enable the Plan to proceed to Referendum;
- b) agreed to publish the 'Decision Statement' as set out at Appendix 2 of the report.

### **7. TO CONSIDER WHETHER TO EXCLUDE THE PRESS AND PUBLIC FROM THE MEETING DURING CONSIDERATION OF THE FOLLOWING ITEMS IN ACCORDANCE WITH SECTION 100A OF THE LOCAL GOVERNMENT ACT 1972 ON THE GROUNDS THAT IT INVOLVES THE LIKELY DISCLOSURE OF EXEMPT INFORMATION AS DEFINED IN PARAGRAPH 3 OF PART 1 OF SCHEDULE 12A OF THE SAID ACT.**

The Leader proposed that the Press and Public be excluded from the meeting during consideration of the exempt business on the agenda. This was seconded by the Cabinet Member for Economic Growth and agreed unanimously.

**RESOLVED**

That the public and press be excluded from the meeting during consideration of the following item in accordance with Section 100A of the Local Government Act 1972, on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the said Act.

The meeting went into closed session at 4.15 pm

The Leader brought the meeting back into open session at 4.16pm on the completion of the exempt business.

**8. TO CONFIRM THE EXEMPT MINUTES OF THE MEETING HELD ON 14 OCTOBER 2019.**

The meeting finished at 4.16 pm

Chairman

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## DRAFT CORPORATE PLAN AND BUDGET FOR 2020/21

REPORT OF: HEAD OF CORPORATE RESOURCES  
Contact Officer: Peter Stuart, Head of Corporate Resources  
Email: [peter.stuart@midsussex.gov.uk](mailto:peter.stuart@midsussex.gov.uk) Tel: 01444 477315  
Wards Affected: All  
Key Decision: Yes  
Report to: Cabinet  
10<sup>th</sup> February 2020

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### Purpose of Report

1. To seek Cabinet's consideration of the draft Corporate Plan and Budget for 2020/21, taking account of the views expressed by the Scrutiny Committee for Leader, Finance and Performance at its meeting on 15<sup>th</sup> January 2020. **Cabinet is asked to consider this report in conjunction with** Appendix 1, which is the relevant extract from the Scrutiny minutes.
2. The meeting also provides the opportunity to update Cabinet with any new information in relation to the Settlement Announcement. A verbal report of any late changes will be given.

### Summary

3. The provisional settlement announced for us on 20<sup>th</sup> December 2019 was in line with expectations and was possibly slightly better. Revenue Support Grant was nil and other sundry lesser grants continued much as flagged. The New Homes Bonus scheme continues for one more year but with a reduced financial impact.
4. As a result of this, the draft service and financial plans for 2020/21 considered by the Scrutiny Committee will not require any changes. This enables the Council to approve a balanced budget.

### Recommendations

5. **Cabinet is requested to recommend the proposals for 2020/21 as set out in the report to the Scrutiny Committee and as amended by this report, to Council, specifically:**
  - (i) **The overall direction and service levels promoted within the draft Corporate Plan;**
  - (ii) **The financial outlook facing the Council;**
  - (iii) **The proposed increase in Council Tax;**
  - (iv) **The proposed placements in the Specific Reserves;**
  - (v) **The proposed Capital Programme; and**
  - (vi) **The service commentaries and supporting summary budget tables for each business unit.**

### Background

6. The proposals set out in the draft Corporate Plan and Budget have been made using the same tried and tested approach as in previous years and are the result of a process of budget and service review which has covered all the Council's services.

7. The draft proposals were published for a period of consultation with all Members on 20<sup>th</sup> December 2019. The consultation period included a meeting of the Scrutiny Committee for Leader, Finance and Performance on 15<sup>th</sup> January 2020 where the proposals were discussed in detail. This report takes account of the comments made by the Committee where the proposals presented were supported unanimously.
8. In contrast to last year, this year the draft Plan was prepared after the Provisional Settlement was announced which gave some certainty to the published figures. We were reassured to see that the negative Revenue Support Grant which would have cost us some £767k was again eliminated from the settlement with the result that our RSG was simply zero for 2020/21.

### **Consideration of the Corporate Plan and Budget 2020/21 by the Scrutiny Committee for Leader, Finance and Performance**

9. The Scrutiny Committee were asked to consider three aspects of the Corporate Plan and Budget, that;
  - Provides investment to support the Council's ambitious growth programme;
  - Invests in community services and facilities, and;
  - Protects key frontline services.
10. The draft minutes at Appendix 1, demonstrate the full and helpful discussion at the Scrutiny Committee with Members asking a wide range of detailed questions. These did not result in any changes to the proposals but were very helpful to officers and Portfolio Holders.

### **Changes to the draft Corporate Plan and Budget to be considered**

11. There have been no significant changes to any figures within the Settlement since it was announced. There have been some minor changes to grants such as Housing Benefit Administration Grant but these are readily accommodated. The Medium Term Financial Plan therefore remains the same (bar minor changes) as previously published and is contained within Appendix 2.
12. The Final Settlement is expected to be published by mid-February but is not forecast to make any amendments to any aspects of our financial situation.

### **Capital Programme**

13. The Capital Programme was supported as presented. In common with previous years we are anticipating bringing forward new capital schemes as we proceed through the year and the schemes get worked up into projects that are capable of ready delivery.

### **Financial Implications**

14. There are no financial implications other than those identified in this report.

### **Risk Management Implications**

15. In the preparation of the draft corporate plan and budget, risks will have been assessed and those that can be mitigated will have a plan attached. It is not therefore considered that these proposals bring forward any significant risk.

### **Equality and Customer Service Implications**

16. There are no such implications within this report.

### **Other Material Implications**

17. There are no other material implications other than those already set out in this report.

### **Background Papers**

None

## **Extract of Draft Minutes of Scrutiny Committee for Leader, Finance and Performance on 15th January 2020**

The Leader was invited to provide an overview of the budget. He advised the Committee Members that the meeting provided an opportunity to scrutinise the Corporate Plan and Budget for 2020/21. He noted that following the scrutiny of the draft Service Plans and Budget, the Cabinet would consider them and then Council would consider them at its meeting in early March. He commented on changes to the funding regime for local government.

The Chief Executive explained to the Committee how papers could be used to enable the Scrutiny Committee to consider all aspects of the draft budget and service plans 2020/1.

Members discussed Government Funding, the Full Fibre network for Burgess Hill, and staffing levels. The Chief Executive advised that when the report was written the provisional local government settlement was not known. However, since the General Election it had been announced and the draft budget did not require amendments in the light of it. The Head of Corporate resources noted that it was predicted that no revenue support would be received, which was correct but the system may change for 2021/22. The Head of Digital and Customer Service provided details on the Council's employees.

Information was sought on insurance, rental income, sale of assets, the future predicted deficit and The Orchards. The Head of Corporate Resources confirmed that due to collective procurement with other local authorities insurance costs had reduced. He advised that changes in rents were reported on an individual bases as no regular increments were built in. The Chief Executive commented that the budget predicted a deficit in year 2; however some factors may change and noted that the Fair Funding review would be material. Some councils like Mid Sussex may not fair very well and money may be diverted to other local authorities with children and adult responsibilities. She noted that receipts from the sale of assets were not accounted for until they were received. The Leader confirmed that a study was underway to assess options to improve The Orchards to generate more income and reflect the changing needs of Mid Sussex residents. He noted the 8% increase in footfall at The Orchards in the last quarter.

Members discussed the long term investment strategy in playgrounds, the Full Fibre network and areas of Mid Sussex currently benefiting from projects. The Assistant Chief Executive noted that 6 key parks had been identified for investment and that Council has commissioned a study to develop a 5 to 10 year strategy, for investment in the future. She confirmed some improvements had already been completed. The Chief Executive advised that the scrutiny committees will receive reports on the priority projects progress and noted that most were long term projects. The Head of Digital and Customer Service confirmed the extensive works required on ROI and regulated matters by Government funded projects. The Leader advised that the current development in Burgess Hill is supported by central government and emphasised that there is no prioritisation of investments in settlements in the District, as they all have different needs.

The provision of Gypsy and Travellers (G&T) and the recent problems with Electric Charging Points were discussed. The Assistant Chief Executive advised that the Council is required to meet the housing needs of all sectors of the community. The District Plan provides a policy framework.

The Chief Executive advised that section two highlighted the main changes in the draft budget for 2020/1 compared to the current year.

Members discussed staffing, job evaluation and gender pay gaps. The Chief Executive advised that resourcing staff is always a challenge with the highly competitive jobs market and the ambitious programme of projects. She noted that six teams are being restructured and invested in to ensure they have the right roles in place to deliver projects. The Head of Corporate Resources confirmed that job evaluation is a recurring cost and inflation of 2% on pay was a standard assumption used by other West Sussex authorities. The Head of Digital and Customer Service confirmed that the Annual Report on Equalities was being prepared.

West Sussex housing related support services, waste services and the audit were discussed. The Chief Executive outlined the impact of savings made by WSCC on recycling credits and supported housing, which had the impact of increasing this Council's costs directly. She advised that the Waste Collection Service is changing with a pilot food waste service starting shortly. The Head of Corporate Resources outlined the impact of changing requirements on the Council's external auditors.

Members discussed mitigation for climate change and tree planting schemes. The Leader highlighted the sustainability action plan. He noted the high maintenance costs of new trees and confirmed that any tree planting must be sustainable and compatible with the Council's landscape assessment. The Committee were advised that this district is a heavily wooded area, with 50,000 trees in the Council's ownership.

The Assistant Chief Executive introduced section three, a summary of the highlights of the past year and the anticipated focus for the coming year. She noted the continued demand for affordable housing and the provision of temporary accommodation. She noted that the Council had not owned any housing since 1990 until 2019.

The supply of affordable housing, cashless parking and sports provision for the Northern Arc development were discussed. The Assistant Chief Executive confirmed that the supply of affordable housing is linked to the housing market, and the Council can predict the supply as long as private housing is delivered by the market. Members were advised that cash and cashless parking payments were accepted in all Council car parks. The sports provision for the Northern Arc is a longer term priority project and the Council will work with consultants and Sports England.

The Head of Corporate Resources highlighted the new Council Tax Support Scheme, the new cloud based financial management system which was working well, and the project to install more vehicle charging points across the District. He advised that the Council should modernise to make more Council Services available online with smartphones.

The Head of Digital and Customer Service noted the continued efficiency savings and benefits of new software systems, new apprenticeship roles within the Council for those starting work and to reskill existing staff. The Solicitor highlighted the work of the Legal Team with planning applications and the work of the Democratic Services Team with the upcoming Referendum and Election in 2020. He noted that the digitisation of Land Charges was almost complete, and future increased work by Environmental Health in the private sector housing enforcement.

The Members considered each service commentary and summary budget tables in section 3 of the report.

Members asked a number of questions and they were answered by officers. The Solicitor confirmed that HMOs are now any property of at least 5 occupants, previously they were properties with a minimum of 3 storeys and 5 occupants. The Assistant Chief Executive confirmed the current situation with CIL and reminded Members that the Council had commissioned an external assessment of recent changes to CIL. The report would advise the Council how to proceed.

In section four discussions were held on disabled grants, planned borrowing and the funding of projects from reserves.

Members commented on the use of consultants, the Burgess Hill Growth Project and Section 106 funding. The Chief Executive noted that the Council utilises consultants when particular expertise is required and is not available within the council structure or if extra capacity is required to deliver projects quickly, she added that the use of consultants is kept under review. The Committee were advised that progress of the Burgess Hill Growth project would be reported in a number of ways, reports to scrutiny committees, complimented by workshops.

The Chairman thanked the Members for the robust discussion and officers for their work.

The Chairman took Members to the recommendations contained in the report, which were agreed unanimously.

## **RESOLVED**

The Committee:

Considered the proposals for 2020/21 set out in the appended report and agreed any comments or recommendations that it wishes to make to Cabinet on:

- (a) The financial outlook facing the Council;
- (b) The proposed increase in Council Tax;
- (c) The proposed placements in the Specific Reserves;
- (d) The proposed Capital Programme; and
- (e) The service commentaries and supporting summary budget tables for each business unit.

**Medium Term Financial Plan  
Cabinet 10th February 2020**

	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
<b>Revenue Spending</b>					
<b>Base Net Expenditure</b>	12,543	12,818	13,041	12,783	12,895
Benefits	(119)	(119)	(119)	(119)	(119)
Drainage levies	-	-	-	-	-
<b>Base Revenue Spending</b>	12,424	12,699	12,922	12,664	12,776
Balance Unallocated	62	28	20	20	20
<b>Council Net Expenditure</b>	12,486	12,727	12,942	12,684	12,796
Contribution to Rate Retention Scheme Equalisation Reserve	200	-	-	-	-
Net on-going net savings / permanent changes 2018/19	-	(45)	(45)	(45)	(45)
Net Pressures from Budget Wps	-	1,003	915	988	954
Additional Contribution to ICT Reserve (Digital)	400	-	-	-	-
Contribution to Burgess Hill Growth Reserve	60	-	-	-	-
Contribution to Development Plan Reserve	100	436	300	300	300
Contribution to Orchards Reserve	425	-	-	-	-
Contribution to Waste Reserve	-	40	-	-	-
Net General inflation	-	475	950	1,425	1,900
<b>Total Revenue Spending</b>	13,671	14,636	15,062	15,352	15,905
External Funding (RSG)	-	-	-	-	-
Rates Retention Scheme (RRS) funding	(2,521)	(3,400)	(2,678)	(2,758)	(2,841)
HB Admin Grant / LCTS Grant	(313)	(315)	(315)	(315)	(315)
<b>Council Tax Requirement @ 3.0% in 20/21</b>	<b>(10,048)</b>	<b>(10,519)</b>	<b>(10,976)</b>	<b>(11,444)</b>	<b>(11,923)</b>
Dividend income LAPF	(240)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(103)	(162)	-	-	-
-Rates Retention Scheme deficit / (surplus)	(446)	-	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve	-	-	-	-	-
<b>Cumulative Balance deficit; / (surplus)</b>	<b>0</b>	<b>0</b>	<b>853</b>	<b>595</b>	<b>586</b>
<b>Difference year on year</b>		0	853	(258)	(9)

<b>Financing Revenue Spending</b>	<u>Year 0</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>
	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
Council Taxbase	60,707.5	61,711.6	62,576	63,452	64,340
Change in Taxbase	1.21%	1.65%	1.40%	1.40%	1.40%
Revenue Budget	13,671	14,636	15,062	15,352	15,905
% change in Formula Grant /External Funding	-100.0%				
External Funding (RSG)	0	0	0	0	0
Rates Retention Scheme (RRS) funding	(2,521)	(3,400)	(2,678)	(2,758)	(2,841)
HB Admin Grant / LCTS Grant	(313)	(315)	(315)	(315)	(315)
<b>Council Tax Requirement</b>	<b>(10,048)</b>	<b>(10,519)</b>	<b>(10,976)</b>	<b>(11,444)</b>	<b>(11,923)</b>
Dividend income LAPF	(240)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(103)	(162)	-	-	-
-Rates Retention Scheme deficit / (surplus)	(446)	-	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve	-	-	-	-	-
Total Financing	(13,671)	(14,636)	(14,209)	(14,757)	(15,319)
<b>Balance [(deficit); /surplus]</b>	<b>0</b>	<b>0</b>	<b>(853)</b>	<b>(595)</b>	<b>(586)</b>
	(13,671)	(14,636)	(15,062)	(15,352)	(15,905)
<b>Council Tax at Band D</b>	<b>£ 165.51</b>	<b>£ 170.46</b>	<b>£ 175.41</b>	<b>£ 180.36</b>	<b>£ 185.31</b>
Change from previous year	3.10%	3.00%	2.90%	2.80%	2.75%

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## BUDGET MANAGEMENT 2019/20 – PROGRESS REPORT APRIL TO DECEMBER 2019

REPORT OF: Head of Corporate Resources  
Contact Officer: Cathy Craigen, Business Unit Leader for Finance  
Email: [Cathy.craigen@midsussex.gov.uk](mailto:Cathy.craigen@midsussex.gov.uk) Tel: 01444 477384  
Wards Affected: All  
Key Decision: No  
Report to: Cabinet  
10th February 2020

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### EXECUTIVE SUMMARY AND RECOMMENDATIONS

#### Purpose of Report

1. This report reviews the progress on the Revenue Budget, Capital Programme and Treasury Management for 2019/20.

#### Summary

2. The forecast revenue outturn position for 2019/20 at the end of December is showing a projected net underspend of £11,000 against the original estimate, after transfers totalling £457,000 to Specific Reserve, as approved by Council on 25 September 2019. This underspend mainly relates to additional income for Car park charges, Development Management Fees, Land Charges and Garden Waste as well as salary savings, mainly offset by pressures in Temporary Accommodation, Building Control fee income, Town Centre supplementary rents and staff restructure costs.

#### Recommendations

##### 3. To recommend to Council for approval:

- (i) that £82,000 be transferred from General Reserve to Specific Reserve as detailed in paragraph 20;
- (ii) that £4,702 grant income relating to Local Authority Data Sharing Programme Grant be transferred to Specific Reserve as detailed in paragraph 21;
- (iii) that £1,779 grant income relating to External Wall System Data collection exercise be transferred to Specific Reserve as detailed in paragraph 22;
- (iv) that the commuted sum of £29,925 is released from General Reserve as detailed in paragraph 23;
- (v) the variations to the Capital Programme contained in paragraph 37 in accordance with the Council's Financial Procedure rule B3.

##### To note:

- (vi) the remainder of the report;

## REVENUE SPENDING

### Position to the end of December 2019

4. This is the fourth budget management report for the current financial year. This is intended to inform Members how key income and expenditure targets are performing after the first three quarters of 2019/20, and to give an indication of the likely position at the end of the year.

### Expenditure and Income to date

5. Table 1 details 'actuals' to date for the key income categories and salaries expenditure, compared to their profiled budgets. It gives a snapshot position on performance to the end of December only. This table also details the projected year-end position for these key income categories, but this only forms part of the consideration for the year-end predictions for the Council's overall revenue budget.

<b>INCOME</b>	2019/20 Actual to December £'000	Profiled 2019/20 Budget £'000	2019/20 Original Budget £'000	Pressure/ (Saving) To end December £'000	Pressure/ (Saving) To end September £'000	Projected Year-end Variance £'000
Car Park Charges	(1,708)	(1,572)	(2,085)	<b>(136)</b>	<b>(88)</b>	<b>(130)</b>
Development Management Fees	(1,154)	(1,090)	(1,454)	<b>(64)</b>	<b>(157)</b>	<b>(64)</b>
Building Control Fees	(330)	(426)	(549)	<b>96</b>	<b>75</b>	<b>96</b>
Land Charges	(153)	(116)	(153)	<b>(37)</b>	<b>(12)</b>	<b>(43)</b>
Licensing Act Fees	(129)	(132)	(144)	<b>3</b>	<b>(26)</b>	<b>0</b>
Hackney Carriage Fees	(101)	(97)	(129)	<b>(4)</b>	<b>(0)</b>	<b>(10)</b>
Outdoor Facilities Income	(227)	(243)	(280)	<b>16</b>	<b>79</b>	<b>0</b>
Garden Waste	(1,133)	(1,089)	(1,281)	<b>(44)</b>	<b>(89)</b>	<b>(45)</b>
Leisure Contract Income	(711)	(1,075)	(1,433)	<b>364</b>	<b>6</b>	<b>0</b>
Industrial Estates Rents/ Depot Rents	(1,201)	(872)	(1,050)	<b>(329)</b>	<b>(293)</b>	<b>(381)</b>
Town Centre Rents	(1,846)	(1,885)	(2,540)	<b>39</b>	<b>(16)</b>	<b>64</b>
General/Miscellaneous Property	(287)	(160)	(210)	<b>(127)</b>	<b>(58)</b>	<b>(98)</b>
<b>Total Income</b>	<b>(8,980)</b>	<b>(8,757)</b>	<b>(11,308)</b>	<b>(223)</b>	<b>(579)</b>	<b>(611)</b>
<b>EXPENDITURE</b>						
Staffing costs	9,378	8,901	11,868		<b>477</b>	<b>(39)</b>

6. Car parking income is above budget by £136,000 in the first nine months operation of the service. This is detailed in Table 2 below. This includes variations in respect of higher than budgeted Season Tickets (£6,000), as well as additional Pay and Display Income (£130,000). By year end the forecast is now predicted to be £130,000 and so the forecast has been amended to reflect this.

	<i>Actual April to December</i>	<i>Outturn 2018/19</i>	<i>Forecast 2019/20</i>
	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>
Pay & Display tickets	(130)	(133)	(130)
Season Tickets	(6)	2	0
Total additional income	(136)	(131)	(130)

7. At the end of December, there has been additional Planning Application fee income of £64,000. In the first half of the year there was £157,000 additional Planning Fee Income against the profiled position. However, since then, there has been a downturn in income by £93,000 in Quarter 3. No further downturn is predicted for Quarter 4, therefore, the forecast has only been amended to reflect the recent downturn of £93,000 and this is included in Appendix A of this report.
8. At the end of December, Building Control Income is under target by £96,000. Whilst Approved Inspectors providing Building control services have reduced in the Market as a result of a change in insurance practices, this additional work is only just coming through and income for the remainder of the year is expected to be on target. However, it is not expected that the shortfall to date can be recovered and the projection has therefore been amended by £27,000 to reflect the further downturn since previously reporting £69,000. The £27,000 is showing in Appendix A of this report.
9. At the end of December Land Charges income is above budget by £37,000. A variation of £43,000 is projected for the full year. The full year projection has been amended to reflect this. £13,000 has been previously reported and a further £30,000 is showing in Appendix A of this report.
10. Licencing income is £3,000 below target for April to December. This is mainly due to the profiling of income, which can fluctuate. Therefore, the forecast remains unchanged.
11. At the end of December additional Hackney Carriage fee income of £4,000 Hackney Carriage Fees is showing. The forecast was previously amended to reflect additional income identified at outturn 2018/19 of £10,000, resulting from an increase in the number of Taxi licence applications. No change to the full year forecast is anticipated at this stage.

12. Outdoor facilities income is £16,000 below budget after the first nine months of the year. This is mainly due to income being invoiced later than profile. However, no variation to the full year projection is anticipated at this stage.
13. Based on the current budget profile, Garden Waste income is £44,000 above target at the end of December. As additional income of £45,000 was previously reported due to the Garden Waste Service customer base expanding beyond budgeted targets, no further change to the full year forecast is anticipated at this stage.
14. The value of the Leisure Contract income this year has been agreed with Places for People Leisure, and there is no forecast change to the full year budget. Quarter 3 Invoice will be raised later than expected in January, explaining the shortfall against profiled Quarter 3 target.
15. Industrial Estates rent / Depot Rents are £329,000 above the target at the end of December. As reported in May this includes unbudgeted rental income of £317,000 following the acquisition of 208-216 London Road, Burgess Hill. Additional rental income of £64,000 is also due to be received and the full year projection has been amended to include this. This is reflected in Appendix A of the report.
16. Town Centre rent is £39,000 below the target at the end of December. However, it is anticipated that the full year forecast is a pressure of £64,000 for the supplementary rent at the Martlets Shopping Centre which has been previously reported.
17. General/miscellaneous property income is £127,000 above the target at the end of December. It has previously been reported that there is additional turnover rent of £25,000 for the Basepoint Business Centre which is proving to be very successful. Further turnover rent of £42,000 for the Basepoint Business Centre has now been received and the full year projection, shown in Appendix A, has been increased to reflect this. In addition, it has previously been reported that there is rent income which has been received for The Redwood Centre totalling £31,000.
18. The salaries expenditure to the end of December is showing a pressure of £477,000 against the profiled budget, which is mainly due to agency, consultant, redundancy and recruitment costs across the Council, which will be met from Specific Reserves, compensating vacancy savings or additional forecast income by year-end. Therefore, by year-end there is a forecast saving of £39,000 as detailed in the Appendix at the end of this and the previous Budget Management reports for 2019/20. This position will continue to be monitored closely as we progress through the year.
19. In summary, based on current information available and as outlined in Appendix A, the current forecast year-end position (at the end of December 2019), is a small underspend of £11,000.

## **Miscellaneous**

20. In 2018/19 £120,000 was earmarked to create a Parks Improvements specific reserve to cover the 2019/20 costs of the Parks Asset Management Plan, Recycling Bins in key parks as well as master planning costs on a number of sites, prior to bringing forward Capital Projects on these sites in 2020/21. The year 2 costs can now be confirmed which include Parks Asset Management Plan (£50k), Recycling Bins in key parks (£16k) as well as Master Planning costs of £16k. Therefore, Members are requested to approve the transfer of a further £82,000 from General Reserve to Specific Reserve for this purpose.

21. In November 2019, grant totalling £4,702 was received from Department for Work and Pensions in respect of Local Authority Data Sharing (LADS) IT Programme costs. Members are requested to approve the transfer of this sum to Specific reserves to meet the costs arising.
22. On 29 October 2019, grant totalling £1,779 was received from MHCLG to assist Local Authorities with the costs of completing a data collection exercise to identify external wall materials and insulation on all high-rise residential buildings 18 metres and over within their area. Members are requested to approve the transfer of this sum to Specific reserves to meet the costs arising.
23. In 2015/16, we originally received the sum of £76,011 pursuant to the terms of a S106 Agreement from BDW Trading Limited as a commuted sum to meet the ongoing costs of maintenance of land in respect of acquiring Wilderness Field. Lindfield Parish Council has approached the District seeking the transfer of The Wilderness Field to the Parish Council. BDW Trading Limited have given consent for the disposal of the land along with the remaining commuted sum. Authorisation under Cabinet Member delegated powers was granted on 27<sup>th</sup> November as detailed in MIS 48, and Council are now requested to release the commuted sum balance of £29,925 from General reserves.

## CAPITAL SPENDING

### Position to the end of December 2019

24. The Capital Programme for 2019/20 now stands at £5,068,000. This includes slippage from the 2018/19 Capital Programme and current year capital project variations, as reported to Cabinet 8 July 2019, 16 September and 18 November. The actual and commitments to the end December 2019 total £5,898,000 (to the nearest £,000)

### Variances to the 2019/20 Capital Programme

25. At this stage in the year the major variances are set out in table 3 below, the remainder being a number of smaller variations totalling less than £100,000.
- 26.

	<i>Variances</i> £'000 (Unbudgeted /overspends)	<i>Variances</i> £'000 (underspends)	<i>Notes</i>
Temporary Accommodation	272		1
Disabled Facility Grants		(499)	2
Flat 16, St Wilfred's Way, Acquisition	176		3
Council Chamber Modernisation		(290)	4
Goddards green Sewage Treatment Works	1,117		5
<b>Total</b>	<b>1,565</b>	<b>(789)</b>	

Notes:

#### *Housing*

- (1) Housing purchases to be funded from the Temporary Accommodation Reserve created at Outturn 2017/18 Refer paragraph 32 in this report for further detail.

*Environmental Health*

- (2) Demand-led Housing adaptations service for which a further £549,019 has been committed as at end of December. No forecast variation is anticipated at this stage.

*Corporate Estates & Facilities*

- (3) Flat 16, St Wilfred's Way, Acquisition – refer paragraph 27 below.
- (4) Council Chamber Modernisation Works – Further value engineering and focus on works to install lift, upgrade fire protection and basic refurbishment of Council Chamber to comply with Building Regulations resulted in reduced cost tender. Cost is still over budget however in the sum of £203,000. Start put back to late 2020 subject to approval at Council.

*Planning Policy*

- (5) Goddards green Sewage Treatment Works - Mid Sussex acts as Accountable body for a Grant from the C2C Local Enterprise Partnership. Any works completed are funded from a grant claim in 2019/20.

## **Proposed Variations to the Capital Programme**

27. The Deputy Leader and Cabinet Member for Corporate Estates and Facilities authorised the acquisition of the tenant's leasehold interest in investment property: Flat 16, St. Wilfred's Way, the Orchards, Haywards Heath as detailed in MIS Bulletin 41 on 9 October 2019. This was financed from the Orchards Reserve, and the Capital Programme total has been amended by £176,000 to include this project.
28. Expansion of the Green Bin service planned for rollout in 2020/21 will require the purchase of an additional 1,500 bins at a cost of £30,000. It is requested that this project is funded from General Reserve. The Capital Programme has been amended accordingly and further detail on this project has been included in the Capital Justification shown in Appendix B of this report.
29. The Current Capital Programme includes £200,000 for the Playground Improvements for Bolney Recreation Ground (Batchelor's Field) (£80k), John Pears Recreation Ground (£80k) and Twineham Playground Improvements (£40k). Following the allocation of capital funding in September, good progress has been made with public consultation on the design of the three playgrounds. Invitations to tender have now been issued and the aim is to complete the project by June 2020. Therefore, these projects will now slip to 2020/21 and the Capital Programme has been amended accordingly.
30. A new project for Pavilion Improvements at St. John's Park, Burgess Hill, totalling £180,000, has come forward for approval. The works are due to take eight to ten weeks commencing in March 2020 and this project will be funded from S106s. Further information is detailed in the Capital Justification in Appendix B.
31. The Cabinet Member for Environment and Service Delivery authorised the release of £17,828 under delegated authority to fund a piece of play equipment for Hickman's Lane Recreation Ground play area which will be funded by a third party contribution from Lindfield Parish Council, as detailed in MIS Bulletin 46 on 13 November 2019. The Capital Programme total has been amended to reflect this.

32. At Outturn 2017/18 Members agreed to earmark £4m in a Temporary Accommodation Reserve to provide up to 20 units of accommodation and 10 leased properties in order to secure better, more flexible, housing for vulnerable families and to invest in assets with long term value whilst reducing the revenue strain for the Council and improving the service. Thirteen properties were purchased during last year as reported at Outturn 2018/19. As at the end of December 2019, additional costs have been incurred on these properties reflecting refurbishment works required to bring each property up to the agreed standard. In addition, since the last Budget Management Report, the Council has also purchased an additional property as detailed in Table 4. All these costs are funded from the Temporary Accommodation Reserve. The current Capital Programme has been amended to reflect these changes.
33. The Cabinet Member for Environment and Service Delivery authorised the release of £17,000 under delegated authority towards the cost of construction of a petanque court at Marle Place Recreation Ground, Burgess Hill, as detailed in MIS Bulletin 40 on 2 October 2019. The total cost of the project is £30,000. The balance of £13,000 will be funded from a third-party contribution from Sport England. The Capital Programme total has been amended to reflect this.
34. The current Capital programme includes a project for Oaklands Windows Replacement. The original proposal was to fund the project over 3 phases between 2019/20 and 2021/22 with £183,000 budgeted in 2019/20. To gain economies of scale the work for all three phases was tendered and as this tender provided significant savings against the original estimate it was approved that Phases 1 and 2 would be funded and delivered in 2019/20 with a revised budget of £192,000. The project is funded from General Reserve and further details for Phase 3 will form part of the Budget process for 20/21. The current Capital Programme has been amended to reflect this current year change of £9,000.
35. The security systems at Oaklands have to date received either no or piecemeal upgrading which results in frequent failure/poor coverage and compatibility issues resulting in poor quality imaging. An initial budget of £30,000 was allocated this project in 2019/20 but a recent comprehensive survey of the security equipment at Oaklands revealed an urgent need to upgrade not only CCTV and Door Access equipment, but also the Council's Intruder Alarm. The extent of works required across all systems is greater than originally envisaged and an additional £21,000 will be required which can be met through utilisation of the current MCR balance unallocated. The Capital Programme has been amended accordingly.
36. Cabinet on 8<sup>th</sup> July 2019 approved the procurement process for the projects within the Place and Connectivity Programme and recommended to agree to add the Mid Sussex led Place and Connectivity Programme projects to the Council's Capital Programme. Since July, further detail on the individual projects has now been worked up resulting in the addition of the project total of £394,000 for 2019/20. This is due to be funded from monies received through WSCC from LGF Funding. The whole project, totalling £6,839m, will span a five-year period. Further details relating to the future year costs will be reported as part of the 20/21 budget process.
37. Proposed capital variations are summarised in table 4 below:

**Table 4: Capital Project Variations April to end December 2019**

	<i>Apr to Dec</i>	<i>Ref</i>
	<i>£'000</i>	
Flat 16, St Wilfred's Way, Acquisition	176	<i>Para 27</i>
Purchase of Green Bins	30	<i>Para 28</i>
<u>Playground Improvements:</u>		
Twineham Playground Improvements	(40)	<i>Para 29</i>
Bolney Recreation Ground (Batchelor's Field) Playground Improvements:	(80)	<i>Para 29</i>
John Pears Playground – AshurstWood, Playground Improvements	(80)	<i>Para 29</i>
St John's Park -Burgess Hill, Pavilion Improvements	180	<i>Para 30</i>
Playground Equipment at Hickmans Lane Recreation Ground	18	<i>Para 31</i>
Temporary Accommodation	272	<i>Para 32</i>
Temporary Accommodation	7	<i>Para 32</i>
Temporary Accommodation	4	<i>Para 32</i>
Temporary Accommodation	24	<i>Para 32</i>
Temporary Accommodation	26	<i>Para 32</i>
Temporary Accommodation	10	<i>Para 32</i>
Temporary Accommodation	2	<i>Para 32</i>
Petanque Rink construction, Marle Place Recreation Gd, BHill	30	<i>Para 33</i>
Oaklands Windows Replacement	9	<i>Para 34</i>
Oaklands Security Intruder Alarms	21	<i>Para 35</i>
Balance Unallocated	(21)	<i>Para 35</i>
Burgess Hill Place and Connectivity Programme	394	<i>Para 36</i>
Total	982	

38. Taking into account the changes detailed above, the overall effect is an increase to the current capital programme for 2019/20 of £982,000 and slippage into 20/21 totalling £200,000. Therefore, the revised programme total for 2019/20 now stands at £6,050,000.

### **Capital receipts and contributions received to the end of December 2019**

39. S106s and grant contributions of £2,022,482 have been received in the period April to December 2019.

### **S106 contributions committed/utilised to the end of December 2019**

40. The following S106 contributions have been utilised during this period:

41.

	<i>Apr to Dec</i>	
	<i>£'000</i>	<i>Note</i>
Ardingly Parish Council	3	1
West Sussex County Council	157	2
East Grinstead Town Council	18	3
Guinness Housing Association	400	4
Slaugham Parish Council	175	5
East Grinstead Rugby Football Club	50	6
Crawley Down Community Centre Association	25	7
Hassocks Community Association	9	8
Haywards Heath Rugby Club	150	9
West Sussex County Council	486	10
West Sussex County Council	101	11
Lindfield Rural Parish Council	7	12
Lindfield Rural Parish Council	2	13
Burgess Hill Town Council	17	14
Hassocks Parish Council	33	15
Worth Parish Council	8	16
Hurstpierpoint Parish Council	10	17
<b>Total</b>	<b>1,651</b>	

## Notes

- 1 Utilisation of Local Community Infrastructure contribution (PL13-000981) S106 monies to enhance the car park provision at Ardingly Recreation Ground, as agreed by the Cabinet Member for Planning on 26 March 2019 MIS 13 27 March 2019.
- 2 Utilisation of Sustainable Transport (TAD) contributions (P35/559a £43,833, P35/559b £57,190, P35/650 £8,687, P35/698 £349, P35/756 £43,893 & PL13-000368 £3,313) S106 monies to carry out various traffic management schemes in Handcross, Pease Pottage and Warninglid, as agreed by the Cabinet Member for Planning on 4 April 2019 MIS 14a 5 April 2019.
- 3 Utilisation of Community Buildings contributions (P35/620a £1200, P35/633b £6,775, P35/671 £2,311 & P35/709 £3,545) and Local Community Infrastructure contributions (P35/667 £4,595) S106 monies to refurbish the gents toilets at East Court Mansion, as agreed by the Cabinet Member for Planning on 4 April 2019 MIS 14a 5 April 2019.
- 4 Utilisation of Affordable Housing contributions (P35/323 £3,390, P35/563 £200,662, P35/523b £5,000, P35/694 £38,663 & PL12-000929 £152,285) S106 monies to enable delivery of affordable housing at Blackwell Farm Road, East Grinstead, as agreed by the Cabinet Member for Housing & Planning on 11 April 2019 MIS 16 17 April 2019.
- 5 Utilisation of Formal Sport contributions (P35/698a £3,565, PL13-000368 £9,695, PL13-001524 £9,166, PL12-001742 £20,256, PL12-002157 £6,630 & PL3-000303 £688), Community Buildings contributions (P35/745 £4,704, PL13-000368 £4,211, PL13-001524 £3,982, PL12-001742 £8,799 & PL3-000303 £58,304) and Playspace contributions (PL13-000368 £8,050, PL13-001524 £7,611 & PL3-000303 £29,339) S106 monies to upgrade the pavilion and playground at Handcross Recreation Ground, as agreed by the Cabinet Grants Panel on 16 April 2019 MIS 16 17 April 2019.
- 6 Utilisation of Formal Sport contributions (P35/501c £18,284.92, P35/602e £4,012.30, P35/632b £3,335.04, P35/633b £6,204.65 & P35/694 £18,163.09) S106 monies to enable the refit of the junior clubhouse roof and terrace, reconfigure the changing rooms and refurbish the outdoor tennis courts to create a 5-aside football area, as agreed by the Cabinet Grants Panel on 18 June 2019 MIS 25 21 June 2019.
- 7 Utilisation of Community Buildings contributions (P35/717 £2.41, P35/ 728 £0.71, PL12-000170 £1,172, PL12-000367 £10,198.71, PL12-000620 £9,440 & PL12-000562 £4,358) S106 monies for improvements to the Café Bar, outdoor paving & meeting rooms at the Haven Centre, as agreed by the Cabinet Grants Panel on 18 June 2019 MIS 25 21 June 2019.
- 8 Utilisation of Community Building contribution (P35/681 £8,650) S106 monies to improve disabled access at Adastra Hall, as agreed by the Cabinet Grants Panel on 18 June 2019 MIS 25 21 June 2019.
- 9 Utilisation of Formal Sport contributions (P35/688 £37,982.47, P35/ 708 £12,017.53, P35/754 £3,665.61 & PL3-001439 £96,334.39) S106 monies for a new clubhouse at Whitemans Green, Cuckfield, as agreed by the Cabinet Grants Panel on 18 June 2019 MIS 25 21 June 2019.

- 10 Utilisation of Sustainable Transport (TAD) contributions (P35/625a £1,289.30, P35/711 £13,346, P35/781 £140.04, PL12-000331 £4,528, PL13-Kings Head £7,400, PL13-000560 £3,483, PL13-000869 £20,240, PL13-001075 £8,727.35, PL13-000948 £25,223) and Local Community Infrastructure contributions (P35/491 £32,584.11, P35/658 £52,425.56, P35/658b £9,173.43, P35/710 £44,915.36, P35/716 £36,505.15, P35/732 £5,949.02, P35/769 £50,202.11 & £53,560.37, P35/781 £3,545.69, PL12-000331 £4,325, PL12-000682 £8,075, PL13-Kings Head £7,675, PL13-000386 £6,975, PL13-000560 £4,311.67, P35/711 £4,661, P35/727 £4,811.58, PL12-001772 £29,854.45, PL13-000621 £10,107.76, PL13-000869 £6722.03, PL13-001075 £8,806.50, PL13-001294 £8,100 &, PL13-000948 £8,105.82) S106 monies to facilitate the delivery of projects within the Place & Connectivity Programme, as agreed by the Cabinet Grants Panel on 18 June 2019 MIS 25 21 June 2019.
- 11 Utilisation of Sustainable Transport (TAD) contributions (P35/554 £40,950, P35/581 £0.79, P35/602e £2,450, P35/617 £649, P35/623b £13,802, P35/628b £3,026, P35/637 £10,169, P35/642b £18,251.01, P35/664 £2,880, P35/709 £4,912 & PL13-000677 £3,524.20) S106 monies for the installation of a pedestrian crossing at Sackville School, East Grinstead, as agreed by the Cabinet Member for Planning in July 2019 MIS 28 10 July 2019.
- 12 Utilisation of Local Community Infrastructure contribution (PL3-000199 £7,145.56) S106 monies for the extension and enhancement of the footpath on Scaynes Hill Common, as agreed by the Cabinet Member for Planning on 15 August 2019 MIS 34a 23 August 2019.
- 13 Utilisation of Local Community Infrastructure contribution (PL3-000199 £2,225.67) S106 monies to purchase an additional Speed Indication Device (SID), as agreed by the Cabinet Member for Planning in September 2019 MIS 37 11 September 2019.
- 14 Utilisation of Formal Sport contribution (P35/716 £17,000) S106 monies to construct a petanque terrain at Marle Place Recreation Ground, as agreed by the Cabinet Member for Planning on 27 September 2019 MIS 40 2 October 2019.
- 15 Utilisation of Play Space and Kickabout contributions (P35/750 £14,503.52 & PL13-001074 £18,495.10) S106 monies to upgrade the play provision in Adastra Park, as agreed by the Cabinet Member for Environment and Service Delivery in December 2019 MIS 49 4 December 2019.
- 16 Utilisation of Formal Sport contributions (P35/728 £7,463.75 & PL12-000910 £51.25) S106 monies towards cricket square renovation and rainwater harvesting system at King George Playing Field, Copthorne, as agreed by the Cabinet Member for Environment and Service Delivery in December 2019 MIS 49 4 December 2019.
- 17 Utilisation of Local Community Infrastructure contributions (PL12-000366 £9,955) S106 monies to install a bus shelter In Sayers Common, as agreed by the Cabinet Member for Planning on 16 December 2019 MIS 51 19 December 2019.

## TREASURY MANAGEMENT INTEREST

42. Treasury Management interest for this financial year was projected in the Budget Report to be £357,230 at an average rate of 1.15%. The Budget Report is prepared well before many of the cash flow items are known.
43. As at the end of December 2019, actual Treasury Management interest earnings were £248,402 at an average rate of 1.062%. The estimated year-end projection for Treasury Management to be earned in the year is £328,382 being £29,000 under target, due to a lower than forecast average balance and lower than forecast interest rates. This position will continue to be monitored closely as we progress through the year.

### *Local Authority Property Fund Dividends*

44. For CCLA we have received £129,731 against a budget of £240,000 for the first half of the year. Due to the timing of this report we are still awaiting notification of the third quarter dividend. However, based on the income to date it looks likely that the full year budget will be exceeded by at least £10,000. Members will receive an update on the final two quarters at Outturn when the full year position is known.

## POLICY CONTEXT

45. This report shows actual financial performance against the original budget, which was approved within the context of the Financial Strategy.

## **FINANCIAL IMPLICATIONS**

46. The financial implications are detailed within the body of this report.

## **RISK MANAGEMENT IMPLICATIONS**

47. There are no risk management implications. Financial risks have been seen as a strategic risk in the past but the Council has a proven track record in Budget Management and this is not seen as a strategic risk for 2019/20.

## **EQUALITY AND CUSTOMER SERVICE IMPLICATIONS**

48. There are none.

## **OTHER MATERIAL IMPLICATIONS**

49. There are no legal implications as a direct consequence of this report.

## **Background Papers**

Revenue Budget 2019/20

**Forecast Budget Variations for 2019/20 at the end of December 2019**

	<i>Pressures in 2019/20</i>	<i>Notes</i>
	<i>£'000</i>	
April to September pressures Cabinet 18 November 2019	1,172	
Building Control Income	27	1
Parking Cashless Transaction processing	10	2
Temporary Accommodation	61	3
Development Management Consultants	50	4
ICT staffing	46	5
Corporate Estates – legal costs	35	6
HR & Payroll consultancy	10	7
Corporate Estates & Facilities – Lease renewal legal costs	7	8
208-216 London Road – NNDR, insurance and legal costs	96	9
	1,514	

Notes:

- (1) Refer Paragraph 8 above.
- (2) An estimate of the likely take up for cashless Parking was included in the budget of 20% of transactions. However, take is estimated to be 37%, increasing transaction processing costs as a result.
- (3) Temporary Accommodation pressure due to the increased use of guest houses despite the increased availability of accommodation through the purchase of Mid Sussex stock with the purpose of reducing costs. The number of Households in all forms of Temporary Accommodation has increased by 80% from 40 to 72 since December 2018, reflecting the increase in homelessness for which the Council has a statutory responsibility.
- (4) Additional forecast cost of Counsels fees and Consultants in respect of upcoming Planning appeals by Public Inquiry.
- (5) This pressure has resulted from the departmental restructure of Digital Services and ICT into the Digital and Technology Department. The increase in salaries reflects MSDC's continued commitment to reaching efficiency savings across the business by investing in capable and knowledgeable staff to help business units take full advantage of modern technology and working practices.
- (6) Legal costs relating to a property managed by Corporate Estates & Facilities.
- (7) Consultancy support on HR initiatives and projects. The Council will benefit from the work that has been carried out in a couple of key areas in 2020/21.
- (8) Legal costs relating to the lease renewal for an investment property within Corporate Estates & Facilities.
- (9) NNDR, insurance and legal costs relating to a vacant unit at 208-216 London Road, Burgess Hill which is now occupied. This is partly offset by a saving of £64,000 for rent.

## Appendix A

### Forecast Budget Variations for 2019/20 at the end of December 2019

	<i>Savings in 2019/20</i>	<i>Notes</i>
	<i>£'000</i>	
April to September savings Cabinet 18 November 2019	(1,215)	
Pay and Display Income	(55)	10
Planning Fee Income (Reversal of Income reported)	93	11
Car Parks cash collection	(15)	12
Building Control staffing	(19)	13
Refuse Contract Indexation	(19)	14
Bulky Waste Income	(6)	15
Outdoor Facilities insourcing	(10)	16
Development Management outside printing	(17)	17
Planning Policy Staffing	(30)	18
Planning Policy and Economic Development minor variations	(10)	19
Economic Development Marketing and Promotion	(11)	20
ICT maintenance	(50)	21
Corporate repairs and maintenance	(25)	22
Local Land Charges income	(30)	23
208-216 London Road – rental income	(64)	24
Basepoint Business Centre supplementary rent	(42)	25
	(1,525)	

Notes:

- (10) Refer paragraph 6 above. The forecast was previously amended to recognise the over achievement of income at outturn 2018/19, whilst at the same time including a conservative forecast of increased income for the current year of £75,000. The forecast has now been amended to reflect an additional income to date of £55,000, which is also consistent with the level of income achieved in the previous year.
- (11) Refer paragraph 7 above.
- (12) Cash collection costs in 2019/20 show a saving due to the an accounting adjustment accrual relating to 2018/19.
- (13) Staff savings resulting from vacant posts and staff on lower than budgeted grades.
- (14) Saving in respect of the recently confirmed Indexation for the Refuse Contract of 2.88%, which was lower than the budgeted estimate of 3.33%, where budgets are set contractually prior to confirmation of relevant indices.
- (15) Additional Bulky waste income due to increased demand.
- (16) Saving due to a terminated Rural Management Agreement with Burgess Hill Town Council in May 2019, whereby income will now pass directly to Mid Sussex, prior to which Burgess Hill Town Council would have received a commission of 50% Income received from the site.
- (17) As part of the 2019/20 budget process an amount of £17K was allowed for the production of a design guide. This cost has been funded from another source and a saving has been identified as a result.
- (18) Staff savings resulting from vacant posts.
- (19) Saving resulting from a number of minor variations below £10K.

- (20) Saving in addition to £49K previously reported. Economic Development Marketing and Promotion activities have been reviewed for their impact and this will inform the next targeted phase of this work.
- (21) This saving has been achieved following the restructure of the Digital and ICT departments where staff have been working to remove outdated and costly items of infrastructure and support technology and replacing them with more effective and usually cheaper solutions. Also using new technology to remove the need for certain solutions entirely and/or allowing the consolidation of solutions which were once separate, and therefore had separate licencing and support needs.
- (22) Savings to the corporate repairs and maintenance budget as a result of lower than budgeted spend.
- (23) It is considered that the over recovery of Local Land Charges income is due to a combination of positive marketing of the excellent Local Authority Official Search service, together with the new build housing developments in Mid Sussex. These factors have resulted in an increase of Official Search requests.
- (24) See paragraph 15.
- (25) See paragraph 17.

## Project justification details

### Garden Waste Subscription Growth

**Purpose of project :**

During 2018/19 and 2019/20 the Council sought to grow the garden waste subscription service to 20,000 subscribers.

Following an unprecedented spike in new subscribers during August this year (when the Council took on an additional 561 subscriptions) and a similar number for the first part of September, compared to 85 on an average month, this target has now been met.

There is continued demand for this service and officers are confident that there is scope to expand it further.

Serco have confirmed that realigning the collections made by the current garden waste vehicle fleet has the potential to offer additional capacity; and could enable approximately a further 1,000 - 1,500 subscriptions to be serviced. At the current rate of growth, it is estimated that this would provide sufficient capacity for approximately a further 10-12 months; and allow a longer-term proposal for continued growth to be brought forward. Realignment will likely lead to day changes for some existing customers. A proposal will be ready for implementation in the New Year.

In order to provide a service to these additional customers, it will of course be necessary to provide them with garden waste bins.

**Total Amount : £30,000**

*Capitalised Salaries included in the project total:* None

*Other sources of funding:* (ie s106/ big lottery etc) This project is fully funded by subscription costs.

*Revenue Implications:* The contract cost of servicing additional customers is £39 per bin. At the current subscription rate of £65 per bin per year, an additional 1,500 customers will result in a net income of £39kpa.

**Value For Money Assessment:**

*Current practice / doing nothing:*

The Council has achieved its target of 20,000 customers by the end of 2019. Doing nothing will require the Council to turn away potential customers and will mean that the full recycling/composting potential of the service is not achieved; and that potential revenue is foregone.

Other alternative approaches:

None

**Business Unit/Service :** Commercial Services and Contracts

**Head of Service :** Judy holmes

**Project Manager:** Jo Reid

**Cabinet Members :** Cllr John Belsey

**Ward Members :** N/A

**This project contributes to achieving the Corporate Plan in the following ways :**

- Protecting & enhancing the environment (by improving the Council's recycling and composting performance).
- Providing effective & responsive services (by meeting unmet demand for the garden waste service)
- Achieving Financial Independence (by providing the service on a cost-recovery basis)

The Cabinet Member has been fully involved in the formulation of this project.

**Risk Analysis :**

The main risks for this project are:

There is a risk that the additional service will not be fully taken up. (Low)

Some round changes may be required to facilitate the proposed growth and this may cause some confusion for customers. (Low)

Mitigating Actions:

Garden Waste Marketing campaign forms part of the ongoing business activity of the Business Unit.

## Project justification details

### St Johns Park – Burgess Hill, Pavilion Improvements

**Purpose of project:**

The pavilion in St Johns Park consists of five public toilets (including one disabled), three internal toilets (including one disabled), storage, a refreshment kiosk, a bar, kitchen, social area and sports changing rooms. The building is hired daily by the Cricket Playgroup and used regularly by Burgess Hill Cricket Club who hire the pitch and changing rooms between April – September and are responsible for maintaining the cricket square, store and nets. The kiosk is hired out on an hourly rate to provide seasonal refreshments and the facility is available for hire to occasional activities i.e. athletics club, children's parties

The building is in a low lying area and is subject to occasional flooding following heavy rain. This can be resolved by creating a swale and redirecting the foul drainage. There is also a requirement to upgrade the changing rooms to provide facilities for two teams and officials changing. Two of the existing changing rooms are currently unusable because the showers have been removed and one has been turned into a store for the nursery so this space needs to be re-provided elsewhere in the building. Additional outdoor storage is also needed for equipment to enable the cricket club to take on more responsibility for grounds maintenance. The main hall will be improved with the addition of bi-fold doors opening onto the courtyard / children's play area.

The works are due to take eight-ten weeks, commencing in March 2020.

**Costs:**

Maximum Amount : £180,000

The following s106 funds are locally available to support this project:

Formal Sports

Folders Meadow, Folders Lane (10/02315/FUL) (P35/491) - £65,707.00

Land North of Maltings Park (09/00602/FUL) (P35/658)- £25,354.70

Land on the Eastern Side of Manor Road (10/01898/FUL) (P35/716) - £15,916.87

Land known at The Brow (11/0258/FUL) (P35/727)- £12,455.98

Land at Westhill (11/01525/OUT) (P35/732)- £10,565.45

Land at 86 Junction Road (12/02873/FUL) (P35/711) - £6,689.59

Land at Dairycrest, 10 Mill Road (12/02959/FUL) (P35/781)- £8,166.71

Land at 88 Junction Road (13/03302/COU) (PL12-000331)- £7,602.00

Land at Kings Head Public House (12/04048/FUL)(PL13/Kings Head) - £7,767.00

Land North of Maltings Park (Phase 2) (10/00107/FUL) (P35/6586) - £16,204.41

Osborne House, Station Road (14/03006/FUL) (PL12-000682)- £3,570.29

**Total s106 funding - £180,000**

**Balance required from capital reserves - £0**

Capitalised Salaries included in the project total : N/A

Other sources of funding :(i.e. big lottery etc.) N/A

**Revenue implications:**

Improvements to the facilities will ensure the site requires less on-going maintenance in the medium term and continues to be suitable for public hire and regular community use which generates an annual income of approximately £12k pa.

**Value for money assessment:**

A do nothing approach will result in a decrease in usage and a deterioration in the condition of the pavilion which will increase the annual maintenance costs. There would also be a risk that the facility could become derelict and unused if it is not fit for purpose.

**Business Unit/Service:** Corporate Estates & Facilities

**Head of Service:** Peter Stuart

**Business Unit Leader:** Simon Moore

**Project Manager:** Tony Johnson

**Cabinet Member:** Cllr Judy Llewellyn-Burke

**Ward Members:** Cllr Robert Eggleston, Cllr Tofojjul Hussain

**This project contributes to achieving the Corporate Plan in the following ways:**

The Corporate Plan priority 'Strong and Resilient Communities'. The Plan sets out proposals to invest in the Council's parks and open spaces and to support the health and wellbeing of residents.

**Summary of discussions with Cabinet Member:**

The Cabinet Member is supportive of the scheme, stating that it is a good investment that will benefit local residents.

**Risk Analysis:**

The main risks of the project and the likelihood, severity and financial impact (rated low, medium, high) of each of these risks are:

<b>Risk</b>	<b>Likelihood</b>	<b>Severity</b>	<b>Financial impact</b>
1. Incidents during construction	low	low	low
2. Severe weather impacting on construction	medium	low	low
3. Incident following construction	low	low	low

Mitigation actions: Use of qualified contractors, Risk Assessments, Method Statements, thorough project planning (including contingency planning).

## FOOD WASTE AND ABSORBENT HYGIENE PRODUCTS - COLLECTION TRIAL

REPORT OF: Assistant Chief Executive  
Contact Officer: Rob Anderton, Divisional Leader – Commercial Services and Contracts  
Email: [robert.anderton@midsussex.gov.uk](mailto:robert.anderton@midsussex.gov.uk) Tel: 01444 477374  
Jo Reid, Business Unit Leader- Waste, Landscapes and Leisure  
Email: [jo.reid@midsussex.gov.uk](mailto:jo.reid@midsussex.gov.uk) Tel: 01444 477374  
Wards Affected: All  
Key Decision: No  
Report to: Cabinet- Monday 10<sup>th</sup> February 2020

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### Purpose of Report

1. To set out proposals for and to seek approval to work in partnership with WSCC to trial a weekly food waste and absorbent hygiene product collection alongside a restructured residual waste collection frequency in Mid Sussex.

### Summary

2. This report sets out proposals to work in partnership with WSCC to trial a weekly food waste and absorbent hygiene product collection alongside a restructured residual waste collection frequency across approximately 3,000 properties in Mid Sussex.
3. It outlines the benefits of a food waste service and provides information on the feasibility work carried out by the West Sussex Waste Partnership to inform the development of the trial. It also provides details of the operational considerations of implementing the service.
4. Finally, the report sets out the intended deliverables against which the success of the trial will be measured.
5. This proposal was considered by the Scrutiny Committee for Community, Customer Services and Service Delivery on 28<sup>th</sup> January 2020. A summary of the discussion at the Committee is summarised in paragraphs 40-44.

### Recommendations

6. It is recommended that Cabinet agree to proceed, in partnership with WSCC, with a trial of food waste and absorbent hygiene products collections alongside a restructured residual waste collection frequency across approximately 3,000 properties in three areas in Mid Sussex, commencing in April 2020.
- 

### Background

7. The Waste (England and Wales) Regulations 2011 requires all local authorities to meet recycling targets of 50% by 2020.
8. The costs of residual waste treatment are increasing; and therefore the Council needs to find ways to remove more waste from the residual stream.
9. A residual waste composition analysis carried out in Mid Sussex in November 2018 demonstrated that food waste is by far the biggest element in the residual waste bin, constituting over 41% of the contents, by weight.

10. Food waste that is disposed of to landfill generates methane, a greenhouse gas far more powerful than carbon dioxide. Not wasting food and drink would have the same positive environmental impact as taking 1 in 4 cars off UK roads.
11. When waste food is collected separately, it can be put into an anaerobic digester, a tank in which the food breaks down into sludge, carbon dioxide (CO<sub>2</sub>) and methane, which can be used for generating energy. The residual material is used as a soil fertiliser.
12. There is a significant performance gap between the best and worst performers across the region; with the authorities in Surrey achieving an average recycling rate of over 54% and those in Kent achieving 44%, compared with 37% in West Sussex, and 31% in Hampshire.
13. This performance gap is almost entirely due to the significantly higher volumes of biodegradable waste (garden and food) being captured by the higher performing authorities.
14. In December 2018 the Government published its Resources and Waste Strategy for England.
15. Among the key themes within the strategy is a commitment to eliminating all food and bio waste to landfill by 2030. The strategy also proposes introducing new statutory responsibilities for Councils to have weekly separate food waste collections in place by 2023. Therefore, it is very likely that all waste collection authorities will be statutorily required to separately collect food waste within the next three years.

### **Mid Sussex Customer Consultation**

16. Customer consultation carried out in October 2018 demonstrates that, after general waste electricals, batteries and textiles (separate collections of which are being introduced in 2020 following last year's trial), the largest number of respondents (just over 55%) said they would like to be able to recycle food waste.

### **Food Waste Feasibility Study**

17. A modelling exercise carried out in 2018 suggests that the introduction of a food waste collection service and a reduction of residual waste collection frequency would deliver a significant increase in the amount of waste recycled, a reduction in residual waste, and could be delivered at no additional cost to the Council Tax payer.
18. In light of this, West Sussex County Council (WSSCC) secured the funding to work with district and borough partners to trial food waste collection; and through the West Sussex Waste Partnership (WSWP) WSSCC has sought volunteer Councils to work with them.
19. It is proposed that the trials would provide to 3,000 households a weekly food waste and Absorbent Hygiene Products (AHP) collection alongside a reduction in residual waste collection frequency. This has been termed a '1-2-3 +' system, and works as follows:

1	Weekly food waste collections (and opt-in weekly AHP collections)
2	Fortnightly (commingled) dry recycling collections
3	Three-weekly residual waste collections
+	Fortnightly opt-in subscription garden waste service

20. This approach would result in households experiencing a significant increase in the number of waste and recycling collections they receive- from a minimum of 52 per annum (for a non-garden waste customer) to a minimum of 95 collections per annum (for those not subscribed to garden waste or AHP collections).

### **Food Waste Collection Trial**

21. Mid Sussex District Council, as one of the higher-performing Waste Collection Authorities in West Sussex, and one of only two with a long-established fortnightly collection system is well placed to carry out a trial of the 1-2-3 system.
22. Aside from the very strong likelihood that the provision of food waste collections will soon become a statutory requirement, the local benefits for participating in the trial can be summarised as follows:
- The introduction of weekly collections of food waste and AHP would be a service improvement for the residents of Mid Sussex.
  - With fortnightly dry recycling collections, a popular green waste subscription service, and weekly collection of food waste and AHP, the residual waste stream would consist of only inert non-recyclable waste such as rigid plastics, plastic film and polystyrene; and so three-weekly collections would be sufficient.
  - Based on the initial modelling, a district-wide service could enable Mid Sussex to drive its recycling rates up by almost 15%.
  - The current approach to managing food waste in West Sussex is becoming increasingly outmoded; and is both financially and environmentally unsustainable.
  - The modelling indicates that the service can be delivered at no additional cost to the Council Tax payer.
23. A number of districts and boroughs in West Sussex are actively considering their position with regards to the trial, and the longer-term introduction of a food waste service; however, at this time, only MSDC has indicated a firm interest in carrying out a trial.
24. In the absence of any other volunteers it is proposed that the Mid Sussex trial will cover approximately 3,000 households, will commence in April/ May 2020, and will run for between 6 and 9 months.
25. In partnership with Serco, a number of potential collection rounds were identified for the trial. These were selected to provide the most optimal opportunities to test the services. They are existing rounds which, when combined, provide:
- i. Approximately 3,000 properties;
  - ii. A good geographical spread across the district;
  - iii. A good mix of rural and urban properties;
  - iv. A representative cross-section of housing types; and
  - v. A representative sample of demographics

This is important to ensure the trials deliver a truly representative set of findings, which can be used, with confidence, to inform a wider roll-out.

Three areas will be selected for the trial; and the details of these will be communicated to all key stakeholders and residents prior to the start of the trial.

### Headline Principles

26. The following headline principles have been agreed for the trial:
- a. There will be no cost to individual district and borough Councils who chose to participate in the trial; and mechanisms will be put in place to ensure that no participants are worse-off as a result of the change and that (where possible) all parties will benefit.
  - b. Any food waste collected through the trial will be treated separately via Anaerobic Digestion and will contribute to the Waste Collection Authority's recycling rate. WSCC have an 'in principle' agreement to bulk all food waste collected in-County, at Ford, before onward shipping for processing in Basingstoke. WSCC will also explore the possibility of bulking the waste at Burgess Hill.
  - c. WSCC have provided a longer-term commitment to develop a facility within the County, at the MBT in Warnham, when there is a wider roll-out of the service. However, WSCC cannot currently provide a timeline for when this is likely to happen as it is dependent on the scale and speed of the wider roll-out of collections.
  - d. If the trials are successful then they will continue uninterrupted beyond the initial trial period for up to a year at no additional cost to the Council, and wider roll out will take place within a timescale agreed with MSDC.
  - e. The apportionment of the cost of rolling out and running the service beyond the trial is yet to be determined and agreed. Some, if not all, of this cost could fall to the collection authorities. However, the modelling suggests that the 1-2-3 approach can be delivered at no additional cost across the system. It is therefore recognised that the principle of cost and benefit sharing established for the trial would need to apply to any wider roll-out, and would be subject to agreement via a newly-established Joint Committee.
  - f. The MSDC trial, and any wider roll-out of the service, would be best delivered by varying the Council's current contract with Serco. Officers are now working with them to fully understand the operational and financial implications of both the trial and any wider roll-out.
  - g. It is proposed that a separate vehicle will be used for the trial, but it is likely that it would be more financially, operationally, and environmentally efficient to provide a district-wide service via a new fleet of 'split-bodied' or 'podded' refuse vehicles that would collect the full range of materials from the kerbside. In anticipation of a wider roll-out in due course, work is underway to identify the likely costs of this approach, and to consider funding options.
  - h. Future Government funding may be available. The Government, in its Resources and Waste Strategy sets out its aspiration to ensure that any funding required to enable the local implementation of the strategy (which includes the introduction of food waste collections where they are not

currently in place) will be made available. Further information on the details and mechanisms for this is awaited.

### **Operational considerations**

27. The Council currently provides a very popular, and simple 'alternate weekly' waste and recycling service. It has been in place and remained largely unchanged for over ten years, and there will therefore inevitably be some concerns about changing the status quo.
28. A '1-2-3 +' service introduces a level of complexity, both in terms of the operational requirements, and how the collection regime is communicated and managed for residents.
29. In light of this, Officers recently visited Daventry District Council, who successfully introduced a '1-2-3 +' service in June 2018, and were recently shortlisted for a national award for the related communications campaign.
30. A summary of the key findings from this visit is provided at [Appendix 1](#)

### **Governance**

31. WSCC has secured the funding for a temporary Project Manager on a 2-year Fixed Term Contract to oversee the implementation of this project, with additional support to be provided on communications and project management. The Project Team (comprising a Project Manager, Projects Officer and Communications Officer) is now in place.
32. Whilst this project is to be funded and led by WSCC, MSDC will be heavily involved in service design, and ensuring there are robust arrangements for managing the trial; as well as ensuring that the approach to project governance is clearly defined and understood by both parties. A project team and oversight group has been set up to manage this.
33. In order to share the benefit of the 1-2-3 collection system, to cover any extra costs incurred by either partner, and to ensure any financial benefits are properly shared post roll out, a formal Joint WSCC and MSDC Waste Committee will be formed. This formal Committee will provide oversight and transparency around how the service will be governed and funded. Final decisions relating to the service will be made by the Committee, which will comprise two Cabinet Members from each authority.
34. The Joint Waste Committee will be governed via an Inter Authority Agreement (IAA) which both Councils will formally agree to and incorporate in to their own constitutions.

### **Deliverables**

35. It is proposed that the success of the trial will be measured against the following key deliverables:
  - i. Reduce the amount of food waste in the residual waste stream from 166 kg/hh to 83 kg/hh;
  - ii. Reduce the amount of residual waste collected from 428 kg/hh to 346 kg/hh;
  - iii. Improve recycling performance by at least 8% in the trial area;
  - iv. Capture at least 50% of food waste in the trial area;
  - v. Achieve a participation rate of at least 50% for weekly food waste collections;

- vi. Positive customer feedback including a satisfaction measure benchmarked against current levels of satisfaction;
- vii. Reduced dry recycling contamination rates including an indicator to measure the maintenance of recycling quality whilst increasing quantity.

## Timeline

36. A detailed timeline has been developed for the trial, highlighting key milestones and deliverables. A high level summary is provided below:

Date	Activity
December 2019	<ul style="list-style-type: none"> <li>• Identify potential trial area(s)</li> <li>• Determine operational collection methodology</li> </ul>
January – April 2020	<ul style="list-style-type: none"> <li>• MSDC formal decision to proceed with trial</li> <li>• Procure collection vehicle(s) as required</li> <li>• Procure food waste containers</li> <li>• Design communications and engagement strategy</li> <li>• Procure treatment / disposal options – recognising food waste collected in the trials must be recycled</li> </ul>
February/ March 2020	<ul style="list-style-type: none"> <li>• Commence communications and engagement activities</li> </ul>
April – Sept 2020	<ul style="list-style-type: none"> <li>• Commence trial 1-2-3 collections (Phase 1)</li> <li>• Door-stepping to collect data on the trial</li> </ul>
Oct- Dec 2020	<ul style="list-style-type: none"> <li>• Analyse and evaluate trial 1-2-3 collections</li> <li>• Make recommendations and gain approval for wider roll-out</li> </ul>
January 2021	<ul style="list-style-type: none"> <li>• Continue trial 1-2-3 collections (Phase 2) until decision on roll-out is determined, scoped and implemented.</li> </ul>

## Communications

37. A key aspect of the project is the development and implementation of a comprehensive communications plan. This will be designed to ensure that all those taking part in the trial, and other key stakeholders are fully informed and provided with all the support they need to participate in, and get the most out of, the new services they are being offered.

## Monitoring and Review

38. As detailed in paragraph 31, above, the success of the trial will be closely monitored against an agreed set of key deliverables, looking at a range of aspects from recycling rates and residual waste reduction, to customer perception/feedback and participation rates.
39. Analysis and evaluation will take place throughout the trial period, culminating in a set of recommendations around options for a wider roll-out of the service in December 2020.

## Consideration by the Scrutiny Committee for Community, Customer Services and Service Delivery at its meeting on 28<sup>th</sup> January 2020.

40. This proposal was considered by the Scrutiny Committee for Community, Customer Services and Service Delivery on 28<sup>th</sup> January 2020. A summary of the discussion is outlined below:-

41. The Committee unanimously supports the trial; and all speakers spoke in favour of the proposals. The majority of speakers emphasised the importance of communications, and the need to have a comprehensive Communications Plan to ensure the success of the trial.
42. Members of the committee requested that Officers work to develop additional metrics, alongside those already proposed, to gauge the impact of the trial (and any wider roll-out) on greenhouse emissions. Officers committed to consider additional metrics.
43. Related to the above, Members were keen to ensure that the collected food waste was not transported for treatment any further than necessary; and that a longer-term solution within the county should be considered as a priority.
44. A Member of the Committee raised questions about the use of an additional vehicle to carry out the food waste collections, and whether it would be better to instead trial the 'twin pack' / podded vehicle approach. It was explained that it is not possible to test this approach in a small sample, as it would require a reconfiguration of a number of other aspects of the service, including fundamentally changing the approach to garden waste in the trial area. However, officers provided assurance that it was likely that this would be the approach should a decision to introduce a district-wide service be taken.

### **Legislative / Policy Context**

45. The requirements for UK local authorities to meet the target of 50% recycling by 2020 are driven by European Legislation. This legislation will remain in place after the UK's exit from the European Union.
46. The recently published Waste and Resources Strategy outlines the Government's intention to legislate further and introduce new statutory responsibilities. Of those items currently being considered, those with the most direct impact to local authority waste collections are:
  - (a) separate collections of biodegradable waste (food and green waste) by the end of 2023;
  - (b) separate collections of textiles and hazardous waste by the beginning of 2025;
  - (c) strengthened TEEP (the method by which local authority collection systems are deemed technologically, environmentally and economically practicable) with a view to improving the quality of dry recycling collected;
  - (d) 55% recycling by 2025 and 65% recycling by 2035.
47. It is therefore highly likely, that in line with strengthening national legislation, changes to the way local authorities collect rubbish and recycling will be forthcoming.

### **Financial Implications**

48. WSCC have allocated £260k towards the project, and they will fully fund the trials for the first year. There will be no cost to MSDC from participating in the trial.

49. The apportionment of the cost of rolling out and running a service beyond the first year is yet to be determined and agreed.
50. It is intended that the formal Joint Waste Committee will provide oversight and transparency around the costs for both councils; and will ensure that any costs and savings arising from a wider roll-out are fairly apportioned.
51. WSCC propose to ring-fence £2m to support districts and boroughs with the costs of introducing new waste and recycling initiatives in 2020/21, with a particular focus on encouraging a wider roll-out of the 1-2-3 approach.
52. As detailed within this report, the modelling suggests that the 1-2-3 approach can be delivered on a cost neutral basis. It is therefore acknowledged that the principle of cost and benefit sharing established for the trial would need to apply to any wider roll-out.

### **Risk Management Implications**

53. Key risks and issues have been captured, and are managed through a Project Risk Log Document. This will be reviewed and updated by both the Project Team and Project Board at every meeting.

**Daventry Site Visit- 5/11/19  
Introduction of 1-2-3 +**

**The Place**

- Population of 85,000; 37,000 households
- 256 Square miles
- A largely rural district with approximately 1/3 of the population living in the town of Daventry and the remainder living in outlying rural areas (78 villages/ hamlets).
- 100% Parished (73 Town/ Parish Councils)

**Previous Service**

- Fortnightly recycling (kerbside sort in boxes)
- Fortnightly residual
- Weekly food (with poor take-up)
- Fortnightly free garden waste

**Reasons for change**

- Services provided through a contract with Amey (2011-2018).
- Daventry needed to plan to provide a new service at contract end in June 2018.
- The main drivers were to mitigate/ avoid the anticipated cost increases arising from re-tendering (expected to be circa £1.25m). The status quo would be unsustainable.
- Engaged with members and carried out a significant public consultation exercise through 2016/17 to inform the design of the new service.

**New Service (since June 2018) - 1-2-3 +**

The new service was introduced as a 'big bang' in June 2018. The changes were:

- A move from 'kerbside sort' (boxed) recycling to commingled
- A move from fortnightly to three weekly residual waste collections
- The introduction of a £35 charge for garden (previously free) waste collections

The service now looks like this:

1	Weekly food waste collections
2	Fortnightly (commingled) dry recycling
3	Three-weekly residual waste collections
+	Fortnightly opt-in subscription garden waste service

Note- there is no separate provision for the collection of AHP; meaning this is disposed of in the residual bin and collected on a three-weekly basis.

In 2016/17, Daventry's recycling rate was 49%; and by April 2019- as a result of these changes- it had increased to 60%.

## Operational Arrangements

The service is delivered via a combination of standard refuse collection vehicles and vehicles with 'pods', as follows:

Week	Refuse Collection Vehicle (with food pod)		Refuse Collection Vehicle
			
1	Dry Recycling	Food Waste	Residual Waste
2	Garden Waste	Food Waste	-
3	Dry Recycling	Food Waste	-
4	Garden waste	Food Waste	Residual Waste
5	Dry Recycling	Food Waste	-
6	Garden Waste	Food Waste	-
7	Dry Recycling	Food Waste	Residual Waste

## Communications

A comprehensive Communications Strategy was developed and implemented. This utilised the full range of media channels, and was divided into key 'themes', each of which was underpinned by its own key messages/ FAQ's, etc. These were:

- Theme 1: Why the waste and recycling service is changing
- Theme 2: Three-weekly black bin collections
- Theme 3: Two-weekly recycling collections
- Theme 4: Two-weekly chargeable garden waste service
- Theme 5: Weekly food waste collections
- Theme 6: Changes to collection days

Considerable focus was given to communicating collection days. As well as on-line 'find my collection day' tools, and the provision of a paper collection calendar to every household (as shown below), they also used, and promoted, a bespoke App which residents can use to search their collection day; and which can be configured to send 'push' notifications and reminders

## Public reception

Generally, residents have accepted, or even welcomed the changes. Garden waste take-up has been good (over 22,000 subscribers) and there has been very little issue with residents understanding and adjusting to the change to the collection regime.

Example collection calendar

## Your new 2018/19 collection calendar

### Your collection day is FRIDAY

fri-wk1

**F** Food



Collected every week

**R** Recycling



Collected every 2 weeks

**W** Waste



Collected every 3 weeks

**G** Garden Waste



Collected every 2 weeks

**Garden Waste Collections**  
 You will only receive garden waste collections if you are subscribed to the new service. There will be a short break for garden waste collections during the second week of January 2019.

June 2018				July 2018				August 2018			
08	F	R	W	06	F	R		03	F	R	
15	F		G	13	F		G	10	F	W	G
22	F	R		20	F	R	W	17	F	R	
29	F		W G	27	F		G	24	F		G
								31	F	R	W

  

September 2018				October 2018				November 2018			
07	F		G	05	F		G	02	F	W	G
14	F	R		12	F	R	W	09	F	R	
21	F		W G	19	F		G	16	F		G
28	F	R		26	F	R		23	F	R	W
								30	F		G

Please put out your bins by 6.30am on your collection day.

To find out more visit [www.daventrydc.gov.uk/recycling](http://www.daventrydc.gov.uk/recycling)

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