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15 March 2024

Meetings of Council Committees are broadcast live through the [Mid Sussex District Council's YouTube channel](#). Limited space is available to observe proceedings in-person. Those wishing to do so must reserve a seat by completing a [Registration Form](#) by 4pm on the working day prior to the meeting.

Dear Councillor,

A meeting of **CABINET** will be held in the **COUNCIL CHAMBER** at these offices on **MONDAY, 25TH MARCH, 2024 at 1.00 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 be agreed by general affirmation the Minutes of the previous meeting held on 5 February 2024.	<b>3 - 6</b>
4. To consider any items that the Chairman agrees to take as urgent business.	
5. Social Value and Sustainability Charter.	<b>7 - 20</b>
6. Budget Management 2023/2024 - Progress Report October to December 2023 (Q3).	<b>21 - 28</b>
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.

8. Albert Drive Lease.

**29 - 90**

To: **Members of Cabinet:** Councillors R Eggleston (Chairman), A Bennett (Vice-Chair), AM Cooke, I Gibson and C Hobbs

## **Minutes of a meeting of Cabinet held on Monday, 5th February, 2024 from 1.00 pm**

**Present:** R Eggleston (Chairman)  
A Bennett (Vice-Chair)

AM Cooke

I Gibson

C Hobbs

**Also Present:** Councillors R Bates, P Brown, A Eves and P Kenny

The Chairman welcomed Councillor Eves and Councillor Kenny to the meeting as group leaders invited under the Cabinet protocol.

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

None.

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

No apologies were received as all Members were present.

**3. TO BE AGREED BY GENERAL AFFIRMATION THE MINUTES OF THE PREVIOUS MEETING HELD ON 13 NOVEMBER 2023.**

The Cabinet agreed the minutes and they were signed by the Chairman.

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

None.

**5. CORPORATE PLAN AND BUDGET 2024/25.**

Before the report was presented to Cabinet for debate, Councillors attending the meeting (not being a member of Cabinet) were asked for their contribution. Councillor Eves asked if an annual parking report had been issued for 2022/23. It was confirmed that this has been issued, and a copy of the report will be made available.

Louise Duffield, Director Resources and Organisational Development introduced the item, noting it was received at the Scrutiny Committee held on 24 January 2024. The outcome of that meeting has been taken into consideration by Cabinet who were present at the Scrutiny meeting.

The Leader proposed that the report be recommended to Council, acknowledging that it presents a balanced budget for 2024/25 utilising money from the General Reserves and Treasury Management income. He noted there remains a gap between income and expenditure with limited options to resolve the issue, resulting in

tough decisions which the Cabinet are willing to make in order to ensure the Council is prudently run and can continue to support employees and deliver services and enhancements to residents over coming years.

The Cabinet Member for Finance, Revenues and Benefits seconded the recommendations, thanking Officers, the cross-party working group and Scrutiny Committee for the work involved. She acknowledged that it is set in the context of difficult and uncertain times and noted that the Council is in a better financial position than other authorities who are at risk of financial failure this year.

Discussion was held on the food waste collection trial and parking charges. The Cabinet Member for Leisure and Customer Services highlighted that the food waste collection will be rolled out to all houses in the District by March 2026 and will incur a capital cost on the new burdens, along with ongoing costs. Whilst the Government will provide a capital grant it will not cover the expenditure required and further income sources will be required. The agreed Parking Strategy will be implemented and will involve increases to parking charges. These will remain competitive compared to neighbouring towns and Districts and will enable further investment in new technology and increased capacity in certain areas.

The Deputy Leader welcomed the fact that the Council will become a Real Living Wage employer from April 2024. She also reiterated thanks to all involved in producing the Budget noting that it had been reached in a consensual way by all.

The Cabinet Member for Sustainable Economy and Housing noted the constraints faced by the Council in agreeing the budget particularly in relation to Council Tax. He also noted the difficulty of reducing the gap between income and expenditure at the same time as increasing reserves. He acknowledged the positive support provided for sustainability ambitions, housing and temporary accommodation and noted further work is needed to ensure the best use of available housing stock.

The Leader took the Members to a vote on the recommendations which were agreed unanimously.

## **RESOLVED**

Cabinet approved and agreed to propose to Council the draft Corporate Plan and Budget set out at Appendix A, and specifically endorsed and recommends:

- (a) The financial outlook facing the Council over the medium term.
- (b) The proposed increase in Council Tax and Fees and Charges.
- (c) The strategy to use the General Reserve to balance the 2024/25 Budget.
- (d) The commitment to top up the General Reserve where possible over the medium term.

## **6. STRATEGIC RISKS 2023/24.**

Before the report was presented to Cabinet for debate, Councillors attending the meeting (not being a member of Cabinet) confirmed that they did not wish to comment on this item.

Louise Duffield, Director Resources and Organisational Development introduced the report noting that it had been recommended by the Audit Committee at a meeting held on 28 November 2024.

The Cabinet Member for Sustainable Economy and Housing noted that there often needs to be an increased risk to encourage development in some areas, versus a low level of risk in other areas. In response to a query on staff retention, the Director confirmed that this is covered at operational level and not currently considered to be a high risk.

The Leader was content with the small number of strategic risks and acknowledged that there were operational risks sitting below them. The Director confirmed that independent consultants are advising Officers who are currently reviewing these for the 24/25 Operational Risk Register.

The Leader took the Members to a vote on the recommendations which were agreed unanimously.

### **RESOLVED**

Cabinet noted the strategic risks, their score, and mitigations and agreed the Risk Policy at Appendix B.

## **7. INSURANCE CONTRACT PROCUREMENT**

Before the report was presented to Cabinet for debate, Councillors attending the meeting (not being a member of Cabinet) confirmed that they did not wish to comment on this item.

Louise Duffield, Director Resources and Organisational Development introduced the report noting that the proposed extension by one year will enable the Council to consider the best options available on the market and ensure the right contract is procured at the right time.

The Leader noted that Cabinet had considered the contents of the exempt annexe and proposed the item. This was seconded by the Cabinet Member for Finance, Revenues and Benefits.

The Leader took the Members to a vote on the recommendations which were agreed unanimously.

### **RESOLVED**

Cabinet agreed to:

- (i) delegate authority to the Director of Resources and Organisational Development to extend the Council's current insurance arrangements for a period of twelve months up to and including 31 March 2025;
- (ii) delegate authority to the Director of Resources and Organisational Development to carry out a procurement exercise for the organisation's insurance arrangements; and
- (iii) delegate authority to the Director of Resources and Organisational Development to award the new insurance contract to the preferred bidder(s)

following the evaluation of tenders to take effect from and including 1 April 2025 for a term of up to five years, to ensure continuity of cover.

- 8. 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.**

An exempt session was not required.

- 9. EXEMPT ANNEX - INSURANCE CONTRACT PROCUREMENT.**

The exempt annexe contained costings. These costings are commercially sensitive and exempt from publication under paragraph 3 of Part 1, Schedule 12A of the Local Government Act 1972. The Leader noted that Cabinet had considered the contents of this annexe prior to voting on the recommendations.

The meeting finished at 1.32 pm

Chairman

## SOCIAL VALUE AND SUSTAINABILITY CHARTER

REPORT OF: DEPUTY CHIEF EXECUTIVE and DIRECTOR RESOURCES & ORGANISATIONAL DEVELOPMENT

Contact Officer: Lara Southam, Head of Regeneration and Sustainable Economy  
[Lara.southam@midsussex.gov.uk](mailto:Lara.southam@midsussex.gov.uk)  
Jane Barker, Assistant Corporate Solicitor/Deputy Monitoring Officer  
[Jane.barker@midsussex.gov.uk](mailto:Jane.barker@midsussex.gov.uk)

Wards Affected: All

Key Decision: No

Report to: Cabinet  
25 March 2024

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### Purpose of Report

1. The purpose of the report is to present the Council's Social Value and Sustainability Charter and explain the background to and development of the document.

### Recommendations

2. **Cabinet is recommended to approve the Social Value and Sustainability Charter as shown at Appendix 1, subject to any agreed changes.**
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### Background

3. In April 2022 Mid Sussex District Council (the council) approved the Sustainable Economy Strategy (SES) and Action Plan. This document combined the council's ambitions for a thriving and growing economy with its commitment to sustainability and to ensuring the impacts were reduced on our environment and climate change through the actions and activities of the council as well as those living, working and visiting the district.
4. The SES sets out the goals of the council and proposed actions to deliver these goals in a series of 14 objectives within an Action Plan. Each objective is directly linked to the relevant UN Sustainability goals, which guided the development of the strategy and the objectives of the action plan.
5. Under Objective 3 "*Strive to reduce pay inequality and improve access to senior roles for underrepresented groups in Mid Sussex*" is the action to "*adopt a Social Value and Sustainability Charter to ensure that there is a commitment to support economic, environmental and social improvements from Council suppliers and contractors*". The document at Appendix 1 is the Charter described.

## **Policy Context**

6. The Public Sector (Social Value) Act 2012 places a duty on public sector organisations, in certain specified circumstances, to consider how what is being procured might improve the social, economic, and environmental wellbeing of the area and how, in conducting the process of procurement, it might act with a view to securing that improvement. The Cabinet Office subsequently developed a Social Value Model and a Procurement Policy Note stated that it should be applied to all new procurements from 1 January 2021. This enables social value to be evaluated and given weight in procurement exercises so that social value can be judged on an equal footing with cost and quality, ensuring maximum value in public spending is achieved. The suggested minimum weighting is 10%.
7. Previous procurement exercises have used the Sustainable Economy Strategy to guide bidders on what the Council is seeking in terms of social value from our contracts. In the case of the MSDC Green Spaces Management contract a commitment to deliver £2.1m of social value during the initial contract term (first 5 years) including increasing expenditure within the district, targeted employment and apprenticeship opportunities promoted within the district, and donating materials and volunteer hours to local projects in addition to delivering 2 community-based initiatives per year. And through the Place and Connectivity programme delivered by Balfour Beatty there was significant social value achieved including 10 local people employed specifically for the project and 1 local engineering student on work experience, 3 small and medium enterprises (SMEs) were engaged on the project and ran a competition with children at a Burgess Hill Primary school to champion the benefits of cycling and walking to school.
8. So, whilst the aim of achieving social value from our contracts is not new to the procurement process at Mid Sussex District Council, the Social Value and Sustainability Charter is a way of more clearly articulating the social, economic, and environmental benefits that we are seeking in our District.

## **Guiding Principles of the Social Value and Sustainability Charter**

9. There are four Guiding Principles proposed in the Charter. These are:
  - a) improve the social wellbeing of local communities, raising their aspirations and promoting access to high quality jobs;
  - b) support local community organisations and businesses and sustainable economic growth;
  - c) be a responsible employer; and
  - d) promote the benefits of sustainability practices and encourage action to support the achievement of Carbon Net Zero to create healthier, greener, and more sustainable places.

The development of these principles has involved reviewing the council's Corporate Plan, the 14 Objectives contained within the Sustainable Economy Strategy and Action Plan, and the UN Sustainable Development Goals which underpin it as well as the National Social Value Model and National Themes, Outcomes and Measures (TOMs) Framework.



## **Other Options Considered**

10. The SES sets out a commitment to developing a Social Value and Sustainability Charter, therefore no other options were considered.

## **Next steps**

11. Following approval of the Social Value and Sustainability Charter, we will develop a monitoring protocol to ensure that the Social Value and Sustainability Charter is implemented, and the outcomes are captured.

## **Financial Implications**

12. There are no financial implications associated with the preparation of this report.

## **Risk Management Implications**

13. The council has approved the Sustainable Economy Strategy and Action Plan. Therefore, it is important to be clear and transparent about the work that has been undertaken and progress made against the agreed Actions. Without this, there is a risk of reputational damage to the Council.
14. As the upper values of the Tier 2 works contracts is £2,000,000, we expect potential suppliers to deliver across a range of social value areas. However, due to the range of values for Tier 2 works contracts (£100,000 to £2,000,000), this could result in significant requirements for relatively low value contracts. This could deter SME suppliers from engaging with the council in our procurement activities. In order to mitigate this, officers will provide training on what we would seek, providing examples and explaining this new process as part of our procurement exercises.

## **Equality and Customer Service Implications**

15. There are no equality or customer service implications.

## **Other Material Implications**

16. There are no other material implications.

## **Sustainability**

17. Sustainability is embedded within the SES. In particular Objective 6: Promote the benefits of sustainability practices and encourage action to support achievement of Carbon Net Zero and Objective 13: Reduction in Carbon Emissions articulate the specific actions we need to take to improve the overall sustainability of Mid Sussex. Progress against these targets is set out in Appendix 1.

## **Appendices**

- Appendix 1 – the Social Value Charter

## **Background Papers**

[Sustainable Economy Strategy and Action Plan](#)

[SES Progress Report](#)

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# Social Value and Sustainability Charter

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**Mid Sussex District Council**

**March 2024**

## What is Social Value?

The term 'social value' is increasingly used across all sectors to describe the total positive impact of an organisation or a project. Social value moves beyond using money as the main indicator of value and encourages us to also consider the social, economic, and environmental benefits which are possible in the present and for a sustainable future.

The Public Sector (Social Value) Act 2012 places a duty on public sector organisations, in certain specified circumstances, to consider how what is being procured might improve the social, economic, and environmental wellbeing of the area and how, in conducting the process of procurement, it might act with a view to securing that improvement. The Cabinet Office subsequently developed a Social Value Model. This enables social value to be evaluated and given weight in procurement exercises so that social value can be judged on an equal footing with cost and quality, ensuring maximum value in public spending is achieved.

Adding social value might mean, for example, sharing building space with community groups, purchasing equipment from local suppliers who employ and develop local people, providing free commercial advice to local businesses and charities, encouraging schemes which reduce carbon emissions and/or enabling those who want to re-enter the workforce to gain valuable work experience.

Social value:

- Is not just 'social' value; it means creating benefit for the health and wellbeing of people and communities, for the local economy and the physical environment.
- Involves a measurable change for the better.
- Is achieved by sharing resources and working together.
- Redefines "value for money" from cost-saving to value adding.

## Our Aim

This Charter proposes to extend the scope of social value considerations to cover all the Council's commissioning and procurement activities to ensure the Council gets maximum value from the public money it spends. The aim is to deliver social, economic, and environmental benefits for the betterment of our area and to deliver the Councils' commitments outlined in the Sustainable Economy Strategy and Action Plan (as amended from time to time).

Whilst the Charter is new, the principles contained within it are not – the Council is already working to make them a high priority. It is a useful and transparent reference tool for organisations wanting to understand the Council's values. All organisations wanting to work with the Council are encouraged to show a commitment to the Charter by signing up voluntarily for lower value projects or on a mandatory basis for higher value contracts (see the Charter Tender Requirements section below).

This Charter is guided by the principles set out in the Council's Corporate Plan, which seeks to deliver value for money services and help to create a strong economy, environment, and community by delivering:

- effective and responsive services;
- sustainable economic growth;
- strong and resilient communities; and
- financial independence.

In addition to the Council’s own priorities, the Charter reflects national strategic priorities for public procurement, as set out in the National Procurement Policy Statement June 2021, which are:

- creating new businesses, new jobs, and new skills;
- tackling climate change and reducing waste; and
- improving supplier diversity, innovation, and resilience.

## Guiding Principles

Mid Sussex District Council’s Social Value and Sustainability Charter has four principles. Each principle has several commitments we want suppliers to work to achieve. Further details of each commitment and when it applies is set out at the end of this document in Table 1.

<b>1</b>	<b>Improve the social wellbeing of local communities, raising their aspirations and promoting access to high quality jobs</b>	<ul style="list-style-type: none"> <li>• Provide local residents with opportunities to gain new skills and experience through training, including work experience and apprenticeships</li> <li>• Promote careers to young people to raise their aspirations</li> <li>• Work with underrepresented groups, or those excluded from mainstream routes, to support their entry into the workforce (e.g. NEETs, BAME, veterans, Carers)</li> <li>• Support and enable local community participation</li> </ul>
<b>2</b>	<b>Support local community organisations and businesses and sustainable economic growth</b>	<ul style="list-style-type: none"> <li>• Create employment opportunities for local residents within Mid Sussex</li> <li>• Open up supply chains to local businesses, particularly enabling SMEs and third sector organisations</li> <li>• Provide training/mentoring/support to SMEs / local / third sector organisations including understanding the procurement process to enable them to access opportunities.</li> </ul>
<b>3</b>	<b>Be a responsible employer</b>	<ul style="list-style-type: none"> <li>• Support and encourage staff to reduce their own carbon emissions in carrying out their work</li> <li>• Be inclusive – support underrepresented groups into the workforce and promote equity and diversity within the workforce</li> <li>• Promote the safety, health and wellbeing of staff and within our supply chain</li> <li>• Provide fair employment contracts and wages and help foster a loyal and motivated workforce by complying with the Governments Living Wage. Minimise the use of zero-hours contracts and work towards abolishment.</li> <li>• Enable staff to support projects in Mid Sussex by volunteering their time during working hours.</li> </ul>
<b>4</b>	<b>Promote the benefits of sustainability practices and encourage action to support achievement of Carbon Net Zero to create healthier, greener and more sustainable places</b>	<ul style="list-style-type: none"> <li>• Implement good environmental business practices</li> <li>• Demonstrate progress towards achieving net zero emissions</li> <li>• Engage with new technologies to improve environmental outcomes</li> <li>• Promote the use of responsibly sourced materials</li> </ul>

- Demonstrate implementation of the waste hierarchy (reduce, reuse, recycle)

## What does successful delivery of Social Value look like?

Social Value can bring long-term benefits to Mid Sussex in many ways including:

- Creating local employment opportunities for the long-term unemployed or those not in education, employment, or training
- Offering work placements to school children and young adults
- Providing career advice and information on specific careers
- Offering curriculum support to schools
- Creating supply chain opportunities for Voluntary, Community and Social Enterprise sector organisations
- Encouraging community engagement
- Supporting local and national initiatives that target hard to reach groups
- Developing cohesive communities
- Improving health and wellbeing
- Making facilities available to groups that would otherwise struggle to meet
- Reducing carbon emissions
- Leveraging additional investment into Mid Sussex

## Social Value Weighting

We have made the commitment to ensure that a weighting of at least 10% will be applied to tender responses relating to social value wherever it is appropriate to do so (see the Charter Tender Requirements section below). However, it is recognised that to drive change, the emphasis and weighting of social value may need to increase over time. It is, therefore, our intention to embed social value throughout our practices, review and evaluate the effectiveness of them and increase the weighting further as we develop our approach. The National Procurement Strategy will help inform and guide us on furthering our social value ambitions.

## Implementation of the Charter through the Councils Procurement Process

The Council regularly undertakes procurement processes for the supply of goods, works and services. Details of the Council's contract and procurement processes can be found [here](#) and in the Council's Contract Procedure Rules at Part 4(ix) of the Council's Constitution which can be found [here](#).

The Council is keen to ensure that, through its procurement processes, it delivers value for money along with wider benefits for the environment as well as the local economy and community.

Under the Public Services (Social Value) Act 2012, the Council has a legal duty to consider social value in all relevant procurements. This Charter is a reference tool to ensure the Council is meeting these legal requirements. Therefore, the Council strongly encourages all contractors to adopt this Charter voluntarily for lower value projects or requires them to adopt this Charter on a mandatory basis for higher value contracts (see the Charter Tender Requirements section below).

In some sectors, the Council appreciates that it might be difficult to deliver on some of the commitments, which is why the Council includes a reasonable endeavours approach. For example, if you are a contractor that is not based locally, you may not be able to recruit or provide apprenticeship opportunities directly within Mid Sussex District.

Each procurement process is unique, and this Charter ensures a proportionate and flexible approach is taken. The expectation is that the contractor will confirm their willingness to deliver on the commitments (tier 2 and 3) as part of the self-declaration in the tender documents. Suppliers may also be asked as part of the quality evaluation to set out what their organisation can commit to deliver throughout the lifetime of a contract. This will be evaluated as part of the tender process.

## Charter Tender Requirements

	Tier 1	Tier 2	Tier 3
<b>Type and value of the contract</b>	Contracts for goods and services below £50,000  Contracts for works below £100,000	Contracts for goods and services between £50,000 and £200,000  Contracts for works between £100,000 and £2,000,000.	Contracts for goods and services above £200,000.  Contracts for works above £2,000,000
<b>When does the Charter apply? See full commitments at the end of the document in Table 1</b>	Charter is not mandatory, but contractors may sign up voluntarily	Charter is mostly applicable in a “reasonable endeavours” approach, but some requirements are mandatory	Charter is applicable on a mandatory basis
<b>How do we evaluate against the Charter in the procurement process?</b>	Discretionary.  The Council may require contractors to sign up to identified elements of the charter.  Quality questions might be used, depending on the nature of the contract.	The contractor will be asked to confirm that they meet any mandatory requirements of the Charter and will be assessed on a pass/fail basis  Specific questions relating to social value and sustainability may be asked as part of the quality assessment if relevant and proportionate	The contractor will be asked to confirm that they meet any mandatory requirements of the Charter and will be assessed on a pass/fail basis  Relevant and proportionate questions as part of the quality assessment are used to test commitment to social value and sustainability
<b>Monitoring arrangements</b>	Not applicable unless it is a voluntary signatory, in which case annual update will be required through the contract management mechanisms	Monitoring arrangements to be agreed by contract manager to ensure commitments are delivered  Contractors are required to provide an annual report capturing achievements made where appropriate	An action plan is drawn up by the contractor during the contract implementation phase  Contractors are required to report and monitor progress and outcomes throughout the lifetime of the contract and at least annually

The procurement team and the Council's contract managers will consider how best to apply this Charter on a case-by-case basis, regardless of the tiers above, by assessing the relevance and proportionality of social value and sustainability commitments to each individual contract/project.

Contractors are encouraged to be innovative in considering how they might achieve social value and sustainability outcomes for Mid Sussex District.

Some of the practical initiatives a contractor's organisation could consider are:

- Monitor and report on the carbon emissions generated as part of the contract and have a plan to reduce these year on year.
- Create apprenticeship and traineeship opportunities as part of your work in Mid Sussex or through the supply chain. Attend apprenticeship events to promote these opportunities. Be clear on how many placements you support.
- Provide work-based learning such as work shadowing, work experience placements and interactive work "taster" events.
- Create volunteering opportunities for your organisation's employees to help community projects/environmental initiatives within Mid Sussex.
- Work with schools and colleges to promote your sector, such as by providing career mentoring, mock interviews and careers talks.
- Promote health and wellness initiatives, pay real living wage and/or encourage flexible working.
- Identify opportunities to do business with the local supply chain and commit to setting a target for sourcing a percentage of work from the local community.
- Recruit within Mid Sussex District – set targets to employ residents in Mid Sussex and/or have a local supply chain.
- Minimise impact on air quality by implementing sustainable travel to work policies – develop a staff travel plan, efficient route plans and change fuel type or engines.
- Deliver diversity training to staff, contractors, and subcontractors.

## Monitoring Progress against the Charter

It is important that contractors are actively delivering against any Charter commitments they make.

Contractors who have committed to deliver against the Charter should report progress to the Council at least annually. This will help the Council to understand what has been achieved and also what is planned for the future. The carbon data that is provided by contractors (where relevant) will form part of the Council's annual reporting on its carbon emissions.

## Further Information

As part of a relevant procurement process, contractors will be asked about their commitments to the Social Value and Sustainability Charter. Further information about our Procurement processes, new opportunities, and becoming a supplier to the Council can be found on the [Mid Sussex District Council website](#). Any queries about this Charter should be directed via email to our Shared Procurement Service ([procurement@horsham.gov.uk](mailto:procurement@horsham.gov.uk))



## Table 1 – Social Value and Sustainability Charter – Charter Commitments in Detail

Key: V – voluntary B – “reasonable endeavours” Y – mandatory

Social Value and Sustainability Charter Tier		Tier 1	Tier 2			Tier 3		
Types and value of contract		All goods and services contracts below £50,000 and all works contracts below £100,000	Services Between £50,000 and £200,000	Goods Between £50,000 and £200,000	Works Between £100,000 and £2,000,000	Services Above £200,000	Goods Above £200,000	Works Over £2,000,000
Principle	Charter Commitments – as an organisation we will:							
1) Improve the social wellbeing of local communities, raising their aspirations and promoting access to high quality jobs	A) Provide local residents with opportunities to gain new skills and experience through training, including work experience and apprenticeships	V	B	V	B	Y	Y	Y
	B) Promote careers to young people to raise their aspirations	B	Y	V	B	Y	Y	Y
	C) Work with underrepresented groups to support their entry into the workforce (e.g. NEETs, BAME, Carers back into work)	V	B	B	B	Y	Y	Y
	D) Support and enable local community participation	V	B	V	B	Y	Y	Y
2) Support local community organisations and businesses and sustainable economic growth	A) Create employment opportunities for local residents within Mid Sussex	V	B	V	B	Y	Y	Y
	B) Open up supply chain to local businesses, particularly enabling SMEs and third sector organisations	V	V	V	Y	Y	Y	Y
	C) Provide training /mentoring/ support to SMEs/local/third	V	B	B	B	Y	Y	Y

	sector organisations to help them understand the procurement/ tendering process and enable them to access work							
<b>3) Be a responsible Employer</b>	A) Support and encourage staff to reduce their own carbon emissions in carrying out their work	<b>B</b>	<b>B</b>	<b>B</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	B) Be inclusive – support underrepresented groups into your workforce. Promote equity and diversity within your workforce.	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	C) Promote the safety, health and wellbeing of you staff and within your supply chain	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	D) Provide fair employment contracts and wages and help foster a loyal and motivated workforce by complying with the Governments Living Wage. Minimise the use of zero-hours contracts and work towards abolishment.	<b>B</b>	<b>B</b>	<b>B</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	E) Enable staff to support projects in Mid Sussex by volunteering their time during working hours.	<b>B</b>	<b>B</b>	<b>Y</b>	<b>B</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>4) Promote the benefits of sustainability practices and encourage action to support</b>	A) Implement good environmental business practices	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	B) Demonstrate progress towards achieving net zero emissions	<b>V</b>	<b>B</b>	<b>B</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
	C) Engage with new technologies to improve environmental outcomes	<b>V</b>	<b>V</b>	<b>B</b>	<b>B</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>

<b>achievement of Carbon Net Zero to create healthier, greener and more sustainable places</b>	D) Promote the use of responsibly sourced materials	V	V	B	Y	Y	Y	Y
	E) Demonstrate implementation of the waste hierarchy (reduce, reuse, recycle)	Y	Y	Y	Y	Y	Y	Y



Mid Sussex District Council (March 2024)

## **BUDGET MANAGEMENT 2023/24 – PROGRESS REPORT OCTOBER TO DECEMBER 2023 (Q3)**

REPORT OF: DIRECTOR OF RESOURCES AND ORGNISATIONAL DEVELOPMENT  
Contact Officer: Rachel Jarvis, Assistant Director Corporate Resources (and S151 Officer) Email: [Rachel.Jarvis@midsussex.gov.uk](mailto:Rachel.Jarvis@midsussex.gov.uk) Tel: 01444 477064  
Wards Affected: All  
Key Decision: No  
Report to: Management Team  
Cabinet  
11 March 2024

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### **Purpose of Report**

1. This report provides an update on the forecast financial position at Quarter Three (Q3) against the approved Revenue Budget for 2023/24 and the current Capital Programme.

### **Summary**

2. The forecast revenue outturn position for 2023/24 at the end of December is an overspend of £723,000 (£654,000 reported at quarter 2 (Q2)) on service budgets. In addition, there is a net pressure on centrally held budgets of £420,000.
3. As was the case in 2022/23, the continued impact of rising interest rates and effective investment decision making is also achieving a windfall income on the Council's Treasury Management income. This has continued to be used to offset pressures on services that continue to similarly be affected by excess inflation.

### **Recommendations**

**Cabinet is recommended to endorse the report and its contents and note the current forecast outturn.**

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## **REVENUE SPENDING**

### **Q3 Position to the end of December 2023**

4. Table 1 provides a summary of the estimated forecast outturn as at the end of the third quarter of 2023/24. A more detailed breakdown is at Appendix A of this report. The main reasons for any movements are then provided in the subsequent paragraphs.

**Table 1 – Overview of forecast movement**

	<b>Current budget 2023/24 £'000</b>	<b>Forecast Outturn 2023/24 £'000</b>	<b>Forecast Variation as at June 2023 £'000</b>
Total Revenue Spending	19,820	20,963	1,143
Use of Treasury Management Income	-	(1,143)	(1,143)
<b>Net Revenue Spend</b>	<b>19,820</b>	<b>19,820</b>	<b>-</b>

### Deputy Chief Executive

5. **Development Management:** is projecting a breakeven position for the year (£52,000 overspend at Q2). This is as a result of additional income, due to large Planning applications that could not have been predicted, offsetting costs pressures.
6. **Planning Policy:** While the forecast is a break-even position, additional S106 monitoring fee income is emerging in the third quarter associated with some large planning applications as well as one-off income from developers for access to the Mid Sussex Transport model. Should this continue, there may be an underspend by year-end.
7. **Housing Enabling:** is projecting a saving of £20,000 for the year due to a part-year staff vacancy, the role has now been filled.
8. **Economic Development** – There has been a delay, due to the limited number of suppliers in the market, letting the Carbon Emissions Progress Monitoring contract resulting in a projected underspend in year, in the region of £25,000.

### Director People & Commercial Services

9. **Cleansing Services:** have a net £135,000 pressure emerging (£86,000 at Q2). As reported at Q2 additional costs incurred for the Waste Contract e.g. in respect of bank holidays and pay and contract inflation have been partially offset by demand increases as a result of forecast property growth and the additional garden waste vehicle. Forecasts have been updated through the budget-setting process to account for these costs in future years.
10. **Landscapes:** are projecting a net pressure of £151,000 (£65,000 at Q2). This pressure results from multiple factors; As reported at Q2 the £65,000 pressure was the result of Business Rate increases from the 2023 revaluation. The increased pressure of £86,000 at Q3, is the result of planned costs associated with the mobilisation and enhanced specification of the new and enhanced green spaces contract. There is further an inflationary contract uplift for outdoor facilities cleaning. This is partially offset by staff savings and an additional £29,000 Outdoor Leisure income.
11. **Building Control:** have a net £60,000 pressure as reported at Q2. This is due to a projected income shortfall of circa £110,000 at year-end, which can be partially offset by staff vacancies and other minor underspends.

12. **Parking Services:** is projecting a £152,000 improvement by year-end as reported at Q2. This is mainly due to exceeding income recovery forecasts as demand for car parking returns post pandemic.
13. **Leisure Services:** have a £212,000 pressure as reported at Q2. This is mainly due to the slower than anticipated recovery of the Leisure contractor post-pandemic in terms of income generation, resulting in a previously reported lower Management fee to the council for the year of £200,000. The Leisure contractor continues to invest in improvements as part of a set of measures to drive usage and demand.
14. **Revenues & Benefits:** have a net saving of £99,000 (break even at Q2). This is driven by staff savings of £112,000 off-set by net pressures of £13,000, caused most significantly by increases in postage costs.
15. **Housing Options:** are projecting a small underspend of £10,000 as reported at Quarter 2. The budget allows for an anticipated increase in the demand for Temporary Accommodation due to a national housing crisis and a shortage of affordable housing. The impact has been managed in the short term through the use of government grants and the use of council-owned temporary accommodation. Although demand continues to grow, particularly as a result of the Home Office decision to clear backlog asylum cases. It is anticipated that part of this budget provision will also be required for reactive and necessary maintenance of our growing housing portfolio. Therefore, it is likely that any underspend in this area will be proposed to be transferred to reserve to help ensure sustainability in this area. This position and recommendation remain under review until outturn as demand projection remains challenging.
16. **Digital and Technology:** are projecting a £47,000 underspend as reported at Q2. This is a result of a £30,000 reduction in expenditure on printers and copiers, due to less usage and £17,000 on Telephones since the migration to Microsoft Teams.

#### **Director Resources and Organisational Development**

17. **Legal Services:** continue to project an overspend of circa £213,000 (£200,000 at Q2). This has been subject to review during the budget setting process for 2024/25 and provision has been made for the permanent recruitment of staff who mostly took up their positions in Q3, thus beginning the downward trajectory of agency spend in this area.
18. **Democratic Services:** are reporting an overspend on the May Election due to the additional complexity of voter identification and inflationary pressures most significantly in postage. Provision has been made as far as possible for this pressure on elections in the 2024/25 budget.
19. **Human Resources and Organisational Development:** have a one off in year pressure resulting in the transition of HR system providers. There have been a number of one-off transitional pressures relating to; the implementation of the new Job Evaluation scheme, and the mobilisation of the greenspaces contract. These are resulting in a one-off pressure anticipated to be in the region of £146,000.
20. **Corporate Resources:** is forecasting an overspend of £138,000. This is the result of Insurance premium increases as excess inflation has impacted the cost of potential reinstatement. This is combined with potential further pressures on the audit fees set by the Public Sector Audit Authority. Provision has been made as far as possible for this pressure in the 2024/25 budget.

21. **Centrally held budgets:** are forecasting an overspend of £420,000. The main area of overspend is the one-off cost of pension strain payments to the West Sussex Pension Fund. The additional pressure is partially offset by the result of recent announcements from Government advising that; compensation will be provided for the Business Rates Exemption for Green Plant & Machinery amounting to £57,000, and the distribution of the surplus on the Business Rates Levy will be made, the allocation for the Council is determined at £18,000. In addition, the £20,000 contingency remains unspent.

### **Treasury Management**

22. Treasury Management continues to show a steady improvement as the year progresses due to the improved interest rates available and effective investment decision making. The current planned use is;
- a. the 2023/24 base budget support of £389,000 (within the MTFP at February 2023), and the 2024/25 base budget support of £344,000 (agreed within the MTFP at February 2024),
  - b. the agreed contribution to the Capital Reserve £500,000, (agreed within the MTFP at February 2024)
  - c. Agreed use for Q2 forecast revenue pressures of £654,000.
23. After the planned use as set out above, there remains £918,000 in interest earned to the end of December 2023. The increased pressure at Q3 requires a further £489,000, leaving £429,000 as a contribution to top up the General Reserve in line with the reserves policy. It is anticipated that we will continue to see improved returns which alleviate concerns that this contribution to reserve is lower than anticipated when considering the on-going sustainability of the council's finances at budget setting. Therefore, it is proposed that after supporting the final position on revenue budget pressures at outturn, any additionality in surplus receipts continues to be set aside in the general reserve.

### **CAPITAL PROGRAMME AND REVENUE PROJECTS**

#### **Position to the end of December 2023**

24. The Council has a 4-year rolling Capital Programme. While it is managed across multiple years this report provides an update in year. Work was undertaken during September to review the phasing of the programme to better reflect the delivery of the projects, which were agreed by Cabinet in November.
25. Planning permission for the Centre for Outdoor Sport (CfOS) was received on 7 March 2024. Work to obtain this permission brought costs forward, with spend in 2023/24 of £613,000 against a budget of £350,000, therefore a movement of £263,000 budget from 2024/25 to 2023/24 is required. Further, the delivery profile of the scheme means £500,000 will be re-profiled from 2025/26 to 2024/25 as the scheme will now move forward at pace.
26. Additional grant funding for Disabled Facilities of £101,494 for 2023/2024 has been received and will increase the overall programme total, although not this financial year. It has therefore been profiled over future years.
27. The current approved programme continues to be reviewed to ensure that it reflects the best estimated delivery of the project.



### **Policy Context**

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

### **Financial Implications**

29. The Financial Implications are detailed within the body of this report.

### **Risk Management Implications**

30. There are no Risk Management implications.

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

31. There are no Equality and Customer Service implications.

### **Other Material Implications**

32. There are no Legal Implications as a direct consequence of this report.

### **Sustainability Implications**

33. There are no Sustainability Implications as a direct consequence of this report.

### **Appendices**

- Appendix A - Forecast outturn at Q3.

### **Background Papers**

None.

Appendix A Forecast outturn at Q3:

<b>Summary Of Revenue Spending for 2023/24</b>				
<b>Service Area</b>	<b>Original budget</b>	<b>Current budget (Excl recharges)</b>	<b>Forecast Outturn</b>	<b>Forecast Variation Q3</b>
	<b>2023/24 £'000</b>	<b>2023/24 £'000</b>	<b>2023/24 £'000</b>	<b>2023/24 £'000</b>
<b><i>AD Planning &amp; Sustainable Economy</i></b>				
Development Management	1,210	277	277	-
Planning Policy	736	511	511	-
Housing Enabling	242	149	129	(20)
Economic Development & Sustainability	694	585	560	(25)
<b><i>AD Planning &amp; Sustainable Economy</i></b>	<b>2,882</b>	<b>1,522</b>	<b>1,477</b>	<b>(45)</b>
<b><i>AD Communities</i></b>				
Environmental Health	1,335	844	844	-
Community Services	380	236	236	-
Partnerships	390	709	709	-
<b><i>AD Communities</i></b>	<b>2,105</b>	<b>1,789</b>	<b>1,789</b>	<b>-</b>
<b><i>AD Commercial Services &amp; Contracts</i></b>				
Cleansing Services	4,902	4,531	4,666	135
Landscapes	2,762	2,175	2,326	151
Parking Services	(820)	(1,156)	(1,308)	(152)
Leisure	(629)	(917)	(705)	212
Facilities	429	1,776	1,776	-
Estates	(2,955)	(3,096)	(3,096)	-
Building Control	490	143	203	60
<b><i>AD Commercial Services &amp; Contracts</i></b>	<b>4,179</b>	<b>3,456</b>	<b>3,862</b>	<b>406</b>
<b><i>AD Digital &amp; People Services</i></b>				
Revenues & Benefits	2,786	1,822	1,723	(99)
Housing Options	1,871	1,557	1,547	(10)
Customer Services	-	367	367	-
Digital and Technology Services	(177)	1,691	1,644	(47)
<b><i>AD Digital &amp; People Services</i></b>	<b>4,480</b>	<b>5,437</b>	<b>5,281</b>	<b>(156)</b>
<b><i>AD Legal &amp; Democratic Services</i></b>				
Democratic Services	1,035	1,005	1,026	21
Legal	0	306	519	213
<b><i>AD Legal &amp; Democratic Services</i></b>	<b>1,035</b>	<b>1,311</b>	<b>1,545</b>	<b>234</b>

	<b>Original budget</b>	<b>Current budget (Excl recharges)</b>	<b>Forecast Outturn</b>	<b>Forecast Variation Q3</b>
	<b>2023/24</b>	<b>2023/24</b>	<b>2023/24</b>	<b>2023/24</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b><i>AD Corporate Resources</i></b>				
Finance	-	825	866	41
Planning & Building Control Support	176	343	305	(38)
PMO & Service Redesign	277	189	189	-
Corporate Resources	1,476	1,707	1,842	135
Strategic Core	1,897	1,603	1,603	-
<b><i>AD Corporate Resources</i></b>	<b>3,826</b>	<b>4,667</b>	<b>4,805</b>	<b>138</b>
<b><i>AD Organisational Development</i></b>				
Human Resources & Organisational Development	-	584	730	146
Communications, PR & Community Engagement	517	258	258	-
<b><i>AD Organisational Development</i></b>	<b>517</b>	<b>842</b>	<b>988</b>	<b>146</b>
<b><i>Net Revenue Budget</i></b>	<b>19,024</b>	<b>19,024</b>	<b>19,747</b>	<b>723</b>
<b><i>Centrally held budgets</i></b>				
Benefits	(119)	(119)	(119)	-
Drainage Levies	1	1	1	-
Balance Unallocated	20	20	-	(20)
Pension Strain	-	-	515	515
Budgeted Contributions to Reserves	894	894	894	-
Business Rates Levy Surplus Distribution	-	-	(18)	(18)
Business Rates Exemption for Green Plant & Machinery Compensation	-	-	(57)	(57)
<b><i>Total Centrally Held Budgets</i></b>	<b>796</b>	<b>796</b>	<b>1,216</b>	<b>420</b>
<b><i>Total Revenue Spending</i></b>	<b>19,820</b>	<b>19,820</b>	<b>20,963</b>	<b>1,143</b>

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## ALBERT DRIVE LEASE

REPORT OF: DIRECTOR OF PEOPLE AND COMMERCIAL SERVICES  
Contact Officer: Robert Anderton, Assistant Director: Commercial Services and Contracts, Email [rob.anderton@midsussex.gov.uk](mailto:rob.anderton@midsussex.gov.uk)  
David Thompson, Interim Head of Estates Services and Building Control, Email: [david.thompson@midsussex.gov.uk](mailto:david.thompson@midsussex.gov.uk)  
Wards Affected: Victoria – Burgess Hill  
Key Decision: Yes  
Report to: Cabinet  
25 March 2024

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### Purpose of Report

The purpose of the report is to seek Cabinet approval for the disposal of the freehold interest of Site I & J Albert Drive, Victoria Industrial Estate, Burgess Hill to Hargreaves Property Holdings Limited.

### Summary

Detailed in Exempt Annex.

### Recommendations

Detailed in Exempt Annex.

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### Background

1. The Council has been the freeholder of a parcel of land on Victoria Industrial Estate, Burgess Hill since 1968. The land includes various industrial sites with 22 long ground leases.
2. Ground Leases provide for owners of land to grant long term leases to developers to allow them to construct buildings in return for a share of the income the developer received from the building. This approach was designed to allow the landowner to develop the land at no cost, receive a steady long term income flow and at the end of the lease allow for the land to be returned with a building on it.
3. As landowner the Council's interest is in a ground rent only with no interest in the buildings and little or no interest/influence over the site in terms of generating improvements or delivering greater value. It is the responsibility of a long leaseholder to refurbish and redevelop the site if they so wish, with many finding it difficult to justify investment to meet the needs of the market and new opportunities given the constraints of a lease whereby the leaseholder is paying a ground rent geared to the rental value of the premises as opposed to owning the freehold.
4. In October 2023, the Council was approached by Hargreaves Properties Limited, on behalf of the tenants, Hargreaves Properties Ltd and Vanstian Ltd to discuss the opportunity to purchase the freehold interest of the land for Sites I & J Albert Drive. These two tenants are under the same group company, Hargreaves Group.
5. Hargreaves is a property management company that owns and develops high-quality commercial and residential properties across South East England.

6. The Sites are split into 13 units which the tenants sub lease to various companies.
7. Details of the current units and the rent paid; and details of the rental arrangements, are provided in the Exempt Annex.

### **The Proposal**

8. Details of the proposal are provided in the Exempt Annex.

### **Financial Implications**

9. Financial Implications are detailed in the Exempt Annex.

### **Risk Management Implications**

10. None.

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

11. None.

### **Other Material Implications**

12. The District Plan Policy DP1 - Sustainable Economic Development- sets out the policy provision relating to the effective use of employment land and premises. The policy provides broad support for intensification, conversion, redevelopment and/or extension whilst also seeking to protect allocated and existing employment land. Any proposals that would involve the loss of employment land or premises would be resisted from a planning perspective and would only be supported where it can be clearly demonstrated that the site/premises is no longer needed and/or viable for employment use.
13. The Council's District Plan identifies sufficient housing sites to meet housing land supply and therefore any redevelopment of these sites for purposes other than employment use is considered unlikely.

### **Sustainability Implications**

14. None.

### **Appendices**

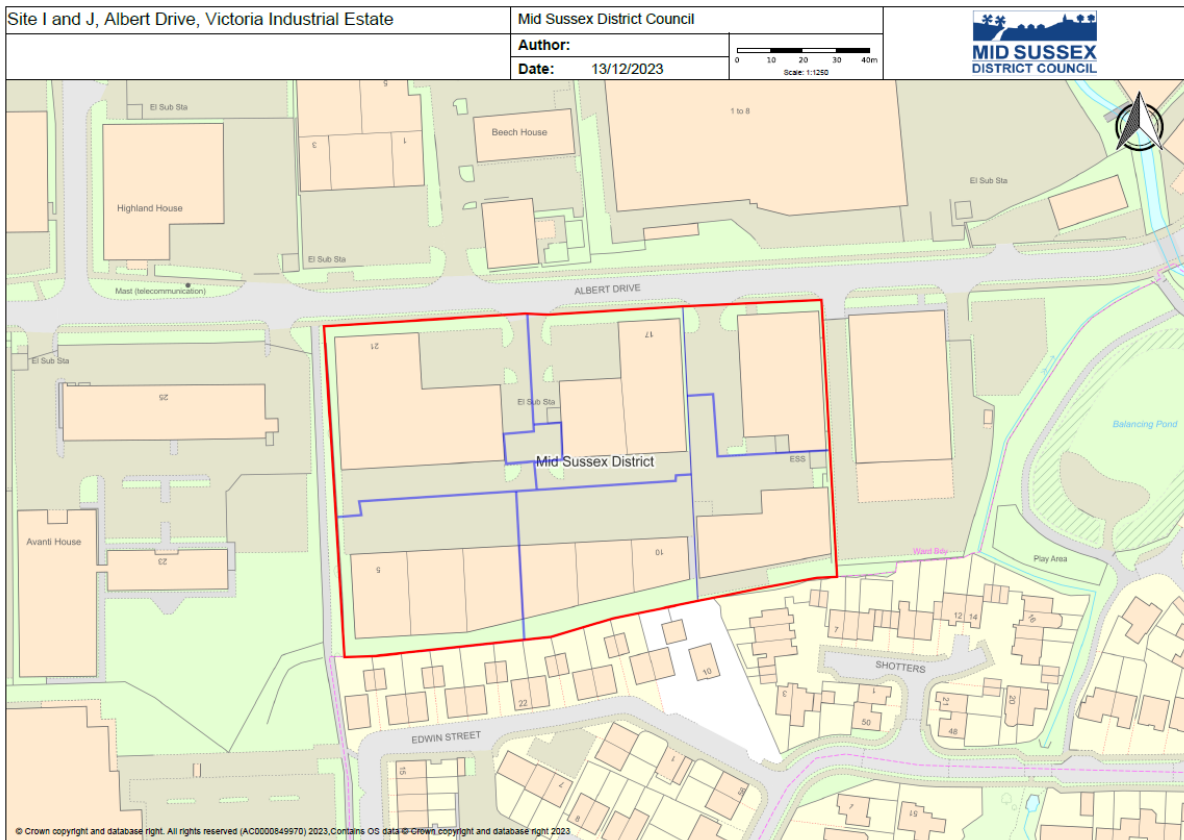
- Appendix A - Location Plan
- Appendix B - Detailed in Exempt Annex.
- Appendix C – Detailed in Exempt Annex.

### **Background Papers**

None.

# Appendix A – Location Plan:

The disposal area: **red**  
The current leased areas: **blue**



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