

5. BUDGET MANAGEMENT 2017/18 – PROGRESS REPORT APRIL TO MAY 2018

REPORT OF: Head of Corporate Resources
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Wards Affected: All
Key Decision: No
Report to: Cabinet
9th July 2018

EXECUTIVE SUMMARY AND RECOMMENDATIONS

Purpose of Report

1. This report reviews the progress on the Revenue Budget, Capital Programme and Treasury Management for 2018/19.

Summary

2. The forecast revenue outturn position for 2018/19 at the end of May is showing a projected net overspend of £12,000 against the original estimate, which relates to on-going pressures from 2017/18 which will be built into the 2019/20 budget.

Recommendations

3. To recommend to Council for approval:

- (i) that £221,981 grant income relating to Flexible Homelessness Support Grant be transferred to Specific Reserve as detailed in paragraph 22;
- (ii) that £26,266 grant income relating to Preventing Homelessness Grant be transferred to Specific Reserve as detailed in paragraph 23;
- (iii) that £3,791 be transferred to Specific Reserve as detailed in paragraph 24;
- (iv) that £970 be transferred to Specific Reserve as detailed in paragraph 25;
- (v) that £34,051 be transferred to Specific Reserve as detailed in paragraph 26;
- (vi) that £19,353 be transferred to Specific Reserve as detailed in paragraph 27;
- (vii) the variations to the Capital Programme contained in paragraph 33 in accordance with the Council's Financial Procedure rule B4.

To note:

- (viii) the remainder of the report;
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REVENUE SPENDING

Position to the end of May 2018

4. This is the first 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 two months of 2018/19, and thereby establish a position over the summer.

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 May 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.

INCOME	2018/19 Actual to May £'000	Profiled 2018/19 Budget £'000	2018/19 Original Budget £'000	Pressure/ (Saving) To end May £'000	Projected Year-end Variance £'000
Car Park Charges	(349)	(364)	(1,707)	15	0
Development					
Management Fees	(243)	(243)	(1,454)	0	0
Building Control Fees	(91)	(118)	(578)	27	0
Land Charges	(32)	(30)	(153)	(2)	0
Licensing Act Fees	(12)	(7)	(138)	(5)	0
Hackney Carriage Fees	(14)	(21)	(129)	7	0
Outdoor Facilities Income	(86)	(117)	(295)	31	12
Garden Waste	(115)	(140)	(1,281)	25	0
Leisure Contract Income	(0)	(225)	(1,346)	225	0
Industrial Estates Rents	(161)	(161)	(647)	0	0
Town Centre Rents	(577)	(591)	(2,491)	14	0
Depot Rent	(19)	(19)	(72)	(0)	0
General/Miscellaneous Property	(72)	(58)	(233)	(14)	0
Total Income	(1,771)	(2,094)	(10,524)	323	12
EXPENDITURE					
Salaries	1,856	1,898	11,386	(42)	0

6. Car parking income is below budget by £15,000 in the first two months operation of the service. This is detailed in Table 2 below. This includes variations in respect of lower than budgeted Season Tickets £30,000 partly offset by additional Pay and Display (£15,000). The forecast is based on outturn 2017/18, showing only a minor variation to the 2018/19 budget overall and the variation to date is the result of later than profiled billing for Season ticket income. Therefore the forecast remains as budgeted.

	<i>Actual April to May</i>	<i>Outturn 2017/18</i>	<i>Forecast 2018/19</i>
	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>	<i>(Over)/ under target £'000</i>
Pay & Display tickets	(15)	12	0
Season Tickets	30	(13)	0
Total additional income	15	(1)	0

7. Development management income is showing no variation to budget for April to May.
8. At the end of May, Building Control Income is under target by £27,000. There was a shortfall of £29,000 at outturn 2017/18 compared to 2018/19 budget. However, the Head of Service for Building Control has confirmed that a fee increase of 3% is expected from 1st August 2018, which will reduce the shortfall by £13,000 and the volume of work is expected to increase sufficiently to reduce the shortfall entirely. This will be reviewed as the year progresses, but for the time being, the forecast remains unchanged.
9. At the end of May Land Charges income is above budget by £2,000. However, no variation to the full year projection is anticipated at this stage.
10. Licencing income is £5,000 above target for April to May. This is mainly due to the profiling of income, which can fluctuate. Therefore, the forecast remains unchanged.
11. Hackney Carriage Fees are below target by £7,000 for the first two months of this financial year. This is mainly due to the profiling of income, which can fluctuate.
12. Outdoor facilities income is £31,000 below budget after the first two months of the year. This is partly due to a change in the timing of invoicing for Playgroup income for which revised profiles are being calculated, but this is not expected to affect the total income due for the year. In addition, pressures were reported in 2017/18 budget management report to Cabinet on 19th February 2018, in respect of £12,000 shortfall in Pavilion income due to the ongoing loss of Cricket teams at Clayton and London Road. However, this was too late for inclusion in the 2018/19 budget. Therefore, this pressure has been identified as an ongoing 2017/18 variation and reflected in Appendix A of this report.
13. Based on the current budget profile, Garden Waste income is £25,000 below target at the end of May. Expansion of the Garden Waste service is expected to deliver an additional 1800 customers in 2018/19 to achieve the budgeted customer base of 20,000 customers by year-end. The waste team are confident that this level of growth will be achieved by year-end, with Garden waste growing on average by 40 new customers per week. Therefore, the forecast has not been amended at this stage.
14. The value of the Leisure Contract is subject to annual indexation and this has yet to be agreed with Places for People Leisure after which the first quarter invoice will be raised by end of June 2018. No change to the full year projection is anticipated at this stage.

15. Industrial Estates rent are showing no variation to budget for April to May.
16. Town Centre rent is £14,000 below the target at the end of May. No change to the full year projection is anticipated at this stage.
17. Depot rent is showing no variation to budget for April to May.
18. General/miscellaneous property income is £14,000 above the target at the end of May. No change to the full year projection is anticipated at this stage.
19. The salaries expenditure to the end of May is showing a saving of £42,000 against the profiled budget, mainly due to vacant posts held resulting from the Business Unit restructures at the start of the year. However, at this early stage we are not forecasting a year-end variance. This position will continue to be monitored closely as we progress through the year.
20. In summary, based on current information available and as outlined in Appendix A, the current forecast year-end position (at the end of May 2018), is an overspend of £12,000.

Miscellaneous

21. The total remaining in Balance Unallocated is unchanged at £27,000 as there has been no utilisation to date.
22. In May, we received £221,981 from the Ministry of Housing Communities and Local Government in respect of Flexible Homelessness Support Grant. This is the Second year payment of a two- year allocation. This grant allocation is expected to compensate local authorities for this loss of the Temporary Accommodation Management Fee and to support homelessness services. As the funding is ring-fenced for two years, Members are requested to approve the transfer of this sum to a Specific Reserves for this purpose.
23. In May, we received £26,266 from the Ministry of Housing Communities and Local Government in respect of Preventing Homelessness Grant (LAs). This payment is the second of three payments over a three year period totalling £82,706 for New Burdens in respect of Homelessness. Members are requested to approve the transfer of this sum to Specific Reserve to meet the cost of a temporary administration post.
24. In May, we also received a grant payment of £3,791 from the Department for Work and Pensions, in respect of New Burdens relating to Local Authority Data Sharing Programme. Members are requested to approve the transfer of this sum to specific reserves to meet this additional cost.
25. In April, we received £970 from the Department for Work and Pensions in respect of a New Burdens Single Fraud Investigation Service. Members are requested to approve the transfer of this sum to specific reserves to meet this additional cost.
26. In April, we received a grant payment of £34,051 from the Department for Work and Pensions to meet the costs of new burdens relating to Verify Earnings & Pensions grant. Members are requested to approve the transfer of this sum to specific reserves to meet this additional cost.
27. In April, we received a grant payment of £19,353 from the Department for Work and Pensions in respect of Implementing Welfare Reform. Members are requested to approve the transfer of this sum to specific reserves to meet this additional cost.

CAPITAL SPENDING

Position to the end of May 2018

28. The Capital Programme for 2018/19, as approved at Council on the 28 February 2018, amounted to £2,313,000. Following the 2017/18 Outturn, the current programme has been increased by £2,045,000, being the slippage of some 2017/18 capital projects. Therefore, the revised Capital Programme now totals £4,358,000.
29. Further details relating to these changes are contained in the Outturn 2017/18 report to Cabinet on 8th May 2018. The actual and commitments to the end of May 2018 total £697,342.

Variances to the 2018/19 Capital Programme

30. At this early stage in the year all projects are progressing as expected, other than those identified in Table 3 under "Proposed variations to the Capital Programme" below.

Proposed Variations to the Capital Programme

31. The Cabinet Member for Economic Growth authorised the release of S106 Local Community Infrastructure Fund of £25,000, which has been approved under Delegated Member authority as reported and detailed further in MIS21 on 23 May 2018. This was to increase car parking capacity at Millennium Hall Car Park, Scaynes Hill. The Capital Programme has been updated accordingly.
32. Since the Corporate Plan and Budget 2017/18 report was approved at Council on 28 February 18, we have received notification of increased funding for Disabled Facility Grants in 2018/19, through the Better Care Fund which is passported onto MSDC from West Sussex County Council. The allocation this year is £949,988. However, £37,062 has been top-sliced for minor adaptations and deep cleans reducing the total grant due to MSDC in 2018/19 to £912,926. This allows additional funding of £213,000 compared to the budget of £700,000. However, after allowing for last year's unutilised allocation and to match the 2018/19 Capital Budget to grant available requires a total increase of £304,000 in the Disabled Facilities Budget to £1,274,000.
33. Proposed capital variations are summarised in table 3 below:

	<i>Apr to May</i> £'000	<i>Ref</i>
Scaynes Hill Millennium Village Hall Car Park Extension	25	<i>Para 31</i>
Disabled Facilities Grants	304	<i>Para 32</i>
Total	<u>329</u>	

34. Taking into account all of the changes detailed above, the overall effect is an increase to the current capital programme for 2018/19 of £329,000. Therefore the revised programme total for 2018/19 now stands at £4,687,000.

Capital receipts and contributions received to the end of May 2018

35. S106s and grant contributions of £708,207 have been received in the period April to May 2018.

S106 contributions committed/utilised to the end of May 2018

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

	<i>Apr to May £'000</i>	<i>Note</i>
Haywards Heath Town Council	5	1
Total	<u>5</u>	

Notes

- 1 Utilisation of Local Community Infrastructure contribution (PL13-001412) S106 monies to carry out works at the Muster Green War Memorial agreed by the Cabinet Member for Planning on 28 March 2018 MIS 14 4 April 2018.

TREASURY MANAGEMENT INTEREST

37. Treasury Management interest for the financial year 2018/19 was projected in the Budget Report to be £262,693 at an average rate of 0.95%. The Budget Report is prepared well before many of the cash flow items are known.
38. Actual Treasury Management interest earnings for the first two months of 2018/19 were £59,249 at an average rate of 0.972%. The estimated year-end projection for Treasury Management to be earned in the year is £332,298 being £70,000 over target, due to the higher average balance over April and May (£3m higher than was expected when the budget was set) and the slightly higher interest rate that has been achieved. This position will continue to be monitored closely as we progress through the year.

POLICY CONTEXT

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

FINANCIAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

41. 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 2018/19.

EQUALITY AND CUSTOMER SERVICE IMPLICATIONS

42. There are none.

OTHER MATERIAL IMPLICATIONS

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

Background Papers

Revenue Budget 2018/19

Appendix A

Forecast Budget Variations for 2018/19 at the end of May 2018

	<i>Pressures in 2018/19</i>	<i>Notes</i>
	<i>£'000</i>	
On-going pressure from 2017/18 – Outdoor Facilities Pavilion Income	12	1
	<hr/>	
	12	
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Notes:

- (1) On-going pressures identified in budget management 2017/18 but too late for inclusion in the 2018/19 budget.

6. PERFORMANCE OUTTURN 2017/18

REPORT OF: HEAD OF CORPORATE RESOURCES
Contact Officer: Neal Barton, Policy and Performance Manager
Email: Neal.Barton@midusussex.gov.uk Tel: 01444 477588
Wards Affected: All
Key Decision: No
Report to: Cabinet
9th July 2018

Purpose of Report

1. This report sets out the Council's outturn performance for the year 2017/18. It provides the Cabinet with an analysis of performance over the past year using the suite of performance indicators previously agreed by the Scrutiny Committee for Leader, Resources and Economic Growth. It also sets out an end of year assessment of progress with the flagship activities for 2017/18, together with the first progress report for the new flagships for 2018/19.

Summary





2. As the Cabinet will be aware from the quarterly reports it has received and considered during 2017/18, despite increasing demands on many Council services, performance levels have remained good in key areas. In the small number of services where service targets have not been fully met, the reasons for this are clearly understood and appropriate action is being taken.

Recommendations

3. **The Cabinet is recommended to:-**
 - (i) **Note the Council's performance and progress with flagship activities in 2017/18 and identify any areas where it requires further reporting or information;**
 - (ii) **Note monitoring arrangements and initial progress with the Council's flagship activities for 2018/19.**
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Introduction

4. This report has previously been considered by the Scrutiny Committee for Leader, Resources and Economic Growth on 13th June 2018. Issues raised by the Committee are set out in paragraphs 83 to 87.
5. One of the functions of this Scrutiny Committee is to regularly monitor the performance of the Council's services, with a view to determining whether any additional scrutiny is required of services, particularly if performance is not of a satisfactory level. To do this, the Committee is provided with performance information on a quarterly basis. This report forms the culmination of such reporting for 2017/18, by providing Members with an overview of performance for the whole year from April 2017 – March 2018.

6. Performance information is presented in a standard format across all services. Performance measures have been developed to capture the core areas of each service. Where possible a target is set for the year, against which performance is measured. Some performance measures do not have targets as these measures are 'health checks' and for monitoring purposes only.
7. The performance information for the year is provided at Appendix A. This is set out in tabular form using a traffic light system, as explained below:-
 -  green – on or exceeding target
 -  amber – slightly off target (less than 10 percent)
 -  red – 10 percent or more off target
 -  health check - indicator for information only
8. In addition to performance indicator information, the report includes an end of year assessment of progress to the Council's flagship activities for 2017/18 at Appendix B and information for the new flagships for 2018/19 at Appendix C.
9. The Scrutiny Committee for Leader, Resources and Economic Growth agreed at its meeting on 7 March 2018, changes to the Performance Indicators to be monitored in 2018/19. Progress to this new bundle of performance indicators will be included in the first quarter monitoring report for 2018/19, which will be considered by the Committee at the meeting on 3rd October and Cabinet on 15th October 2018.

Overall Performance

10. Performance has continued to be good across the Council over the past year, with a small number of exceptions of which more details are provided later in the report. The outturn position in comparison with the previous financial year is summarised below:

Year	 Green	 Amber	 Red	 Health check	Total
2017/18	28 (67%)	9 (21%)	5 (12%)	17	59
2016/17	25 (64%)	11 (28%)	3 (8%)	13	52

11. Not all aspects of the Council's work can be measured by formal indicators and in some cases the Council has little or no influence over performance. Therefore this work is measured using health check indicators which are outlined in Appendix A and are intended to provide Members with a holistic view of the Council's work.

Performance meeting or exceeding targets

12. Of the 42 indicators with targets, 28 met or exceeded their target. This has been achieved despite increased volumes of work in key areas. This section of the report provides more information about these performance achievements.

Payment of invoices

13. The speed with which the Council pays invoices is considered important for supporting small businesses, where cash flow can be critical to the health of the business. In 2017/18 97.8% of undisputed invoices were paid within 10 days of receipt, close to the previous year figure of 98.1%. This relates to 5,129 invoices paid in the year. The target for 2017/18 was increased at the request of the Committee to 95% from 90%. There has been a continued focus across the whole organisation on the prompt payment of invoices. 99.88 % of invoices were paid within 30 days.

Speed of processing Council Tax Change of Circumstances

14. The average time in 2017/18 for processing change of circumstances for Council Tax Support claims was at the target level of 10 days. There were 14,379 changes in circumstances processed in the year. The average processing speed was 9 days in 2016/17, with 13,659 changes in the year. See paragraphs 64 to 74 for more information about this service.

The percentage of rent due collected and return on non-residential property

15. This indicator measures the rent paid on non-operational Council-owned properties and held for investment purposes. Performance in 2017/18 was 99% collection compared to the target of 97%. In cash terms, the amount collected was £3,185,220 compared to £2,451,836 in 2016/17, reflecting the full year contribution from the Orchards Shopping Centre. The Scrutiny Committee considered a report at the meeting on 7th March providing a first year review of The Orchards Shopping Centre following the Council's purchase of the head lease.
16. The rate of return on the Council's tenanted non-residential property portfolio in 2017/18 was 7.0% against 11.0% in the previous year. This is due to a revised approach to calculation of the rate of return, limited to reporting on the Council's main investment properties. Previously the rate of return was calculated based upon capital values of all Council properties that had been valued in the financial year. This will provide for a more consistent approach and more valid year-on-year comparisons.

Average waiting time to speak to a customer services officer

17. This indicator refers to the average waiting time in seconds to speak to a customer services officer for all services in the Customer Services Centre, including the switchboard. Calls are answered in the Centre for nine Council services direct lines, including Building Control, Electoral Services, Parking services and Waste Management. Performance in 2017/18 was an average of 22 seconds compared to the target of 30 seconds and with 85,395 calls answered. This is an improvement on the previous year average waiting time of 25 seconds with 92,201 calls answered.
18. The focus for the further ongoing implementation of the Customer Relationship Management (CRM) system continues to be resolving more enquiries at the first point of contact. Customer Service staff are able to deal with more customers who need advice across a range of Council services. In addition to telephone callers, the Customer Services Centre dealt with 37,538 personal callers to reception in 2017/18. This compares to 34,808 in 2016/17, an increase of 8%.

Percentage of enquiries resolved at first point of contact

19. This is a new monitoring indicator for 2017/18. Accessing the service at first point of contact is measured through the proportion of automatic forms available on our website successfully submitted and telephone enquiries resolved first time. Performance in 2017/18 was 86% compared to the target of 75%. This currently only monitors forms and the Council is looking to upgrade the telephone system to also be able to measure telephone calls resolved at first point of contact. Please see the flagship activities update at Appendix B for more information.

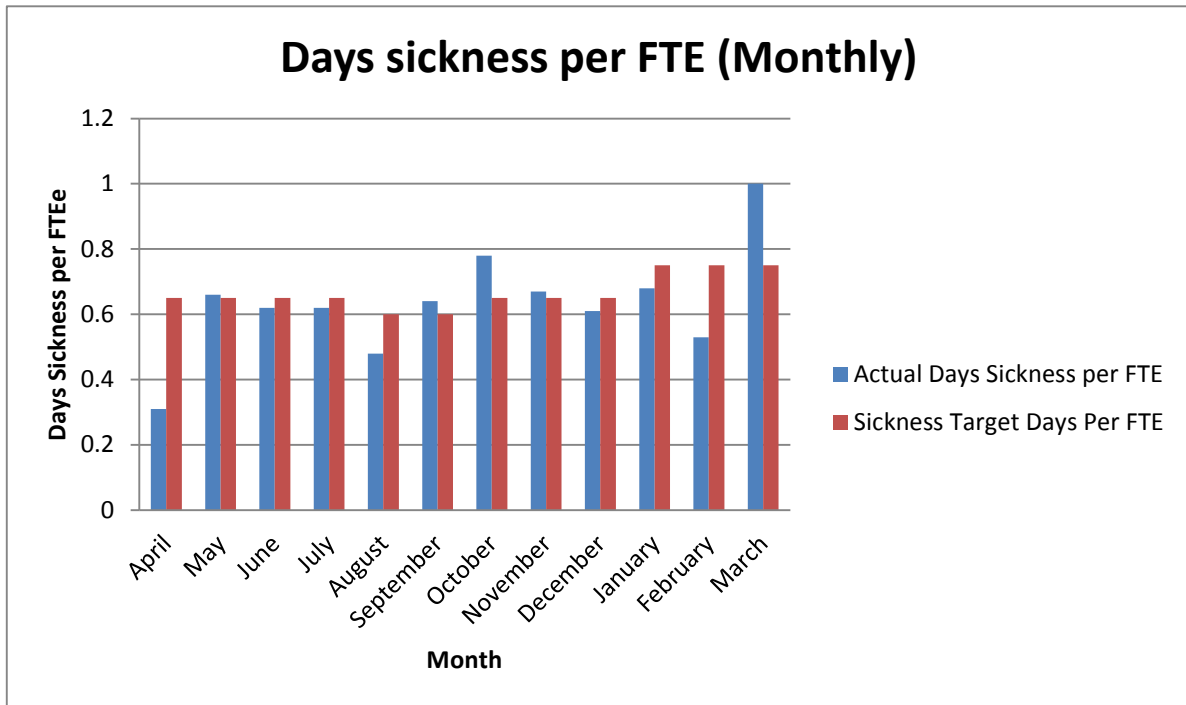
Monthly customer satisfaction scores and number of compliments received

20. Customer satisfaction has been measured through the year by phoning back a sample of customers who had previously called the Customer Service centre to gain their feedback on how they felt that their call had been dealt with. Overall in 2017/18, feedback from those surveyed was 98% positive. Callers had contacted the Council regarding a variety of services including waste, benefits, elections, parking, building control and taxi licensing.
21. In addition to surveys of customers, the number of compliments received is also an indicator of customer satisfaction. There were 268 compliments received in 2017/18, compared to 189 in the previous year, an increase of 42%. The main services in receipt of compliments were::
- Development Management 93
 - Customer Services 83
 - Waste and Outdoor Services 51
 - Environmental Health 7
 - Planning and Building Control Support 5
22. The Council has a “Make A Difference” award scheme, awarded on a quarterly basis in order to recognise exceptional customer service by staff. This can include nominations from members of the public and fellow members of staff. Examples of awards this year have included the Facilities Team during an exceptionally busy period of public inquiries and council meetings; and individual staff from the Leisure Rangers and Parking Teams.

Staff sickness absence rates

23. The cumulative staff sickness rate for 2017/18 was 7.6 days per full-time equivalent member of staff, which was better than the target of 8 days and an improvement on the previous year level of 8.4 days. This improvement reflects a reduction on the number of medium and long-term absences. It is also the result of back to work interviews and promoting the availability of support to staff through measures such as the Employee Assistance Programme. For comparison, the latest available national average data for staff sickness in local government is 9.9 days per full-time equivalent member of staff from a 2016 Chartered Institute of Personnel survey.

Figure 2 below shows the monthly figures for sickness rates against the target.



Percentage of employees with a disability

24. In 2017/18 performance for this indicator was 5.4% against the target of 4%. The Council is a “Disability Confident Committed” employer, recognising our commitment to the employment, retention, training and career development of disabled employees. This includes a commitment to interview all disabled applicants who meet the minimum criteria for a job vacancy and to consider them on their abilities. This indicator is being changed to a health check indicator for 2018/19 without a target, given the lack of control that the Council has over recruitment in this respect.

Staff Turnover

25. Staff turnover for 2017/18 was 12.5%, which represents 38 voluntary leavers. This compares to the target of 15% and is a reduction from the 2016/17 level of 13.9% (43 voluntary leavers). Reasons given for staff leaving were as follows:

- Personal - 17
- Career progression - 7
- Retirement – 5
- Travel/Location - 4
- Capability - 1
- Ill health - 1
- End of temporary appointment - 1
- University/college attendance - 1

ICT service requests completed within the target time agreed with the customer and percentage of ICT helpdesk calls outstanding at the end of the month

26. In 2017/18, 95% of the ICT service requests received were completed in the agreed time compared to the target of 87%. This related to 5,392 service requests. Performance was at a similar level in 2016/17 when there were 6,342 service requests received. There has been an improvement in the percentage of ICT helpdesk call outstanding, down to 13% in 2017/18 from 17% in the previous year. ICT staff are now employed directly by the Council, rather than through the Census ICT Partnership.

Agendas which are published on the website 5 days before a meeting

27. The target that 100% of agendas should be published on the website 5 days ahead of each meeting was again met in 2017/18. It is important that Council reports are published in a timely way to enable the public and Councillors to fully assimilate the information they contain ahead of formal Council meetings.

The number of visits made to Leisure Centres and Civic Halls

28. The number of visits made to the Council's Leisure Centres and Civic Halls in 2017/18 exceeded targets, with 1,854,920 visits compared to the target of 1,705,124. There has been a considerable increase in Leisure Centre membership, up 12% from 12,667 at the end of 2016/17 to 14,198 at the end of March 2018. The increase in membership reflects the investment made by the Council and Places for People in improvements to the facilities. Details of the implementation of the improvement programme are given in the Appendix B Flagship Activities update.
29. The target for concessional use at leisure centres of 32% was exceeded in quarter 4 of 2017/18 at 34%. Groups who benefit from lower charges include the over 60's; registered disabled, juniors; students in full-time education; those in receipt of certain benefits such as Job Seekers Allowance; and registered carers.
30. Further investment in leisure centres for 2018/19 has been approved, particularly to the Triangle leisure pool and this is included as one of the flagship activities, with additional information included in Appendix C.

Household waste disposed of in landfill sites

31. The amount of waste per household sent for landfill in 2017/18 was 433 kg, compared to the target of 473 kg. This is an improvement on the figure for 2016/17 of 439 kg. Progress with this indicator is closely related to the percentage of waste sent for reuse, recycling and composting. Please see paragraphs 57 and 58.

Percentage of car park machines repaired within 2 days

32. There are 55 car park payment machines across the District and the target for 2017/18 to address 97% of faults within 2 days was exceeded at 98%.
33. One of the Council's flagship activities for 2018/19 is to introduce cashless payments options for parking, which will involve the phased implementation of new car park machines. Please see appendix C for further information.

Cancellation Rate of Penalty Charge Notices

34. The cancellation rate for Penalty Charge Notices (PCNs) was 8% for 2017/18, with 1,208 out of 15,259 Penalty Charge Notices cancelled. This was a new indicator for the Committee to monitor in 2017/18. The target of 9% cancellation for mitigating circumstances is based upon the performance standard set by the Service Level Agreement with West Sussex County Council. The County Council has indicated that they would like this to be 7% by 2020.

Environmental Health Service requests responded to within 5 working days

35. Environmental Health responded to 99% of service requests within 5 working days in 2017/18, which exceeded the target of 97%. 4,106 service requests were received in the year. This compared to performance at 98% in 2016/17, with 4,232 service request received. Please see paragraph 60 for more information regarding this service.

Health and wellbeing interventions

36. The Wellbeing service supports and advises people who wish to make improvements to their lifestyle, such as losing weight, taking more exercise, improving their diet, reducing alcohol consumption or stopping smoking. The service delivered 1,846 interventions in 2017/18 which was considerably above (by 32%) the target of 1,400.
37. Of the people who responded to requests for feedback, 91% of those assisted by the Wellbeing service reported a health improvement against a target of 75%. These calls are made three months after the intervention to monitor whether the intervention has led to a sustained improvement. Information about the activities of the service in 2017/18 is provided in Appendix B.
38. The Wellbeing Team are piloting a new GP practice based outreach service for 2018/19. This is designed to provide a new route for accessing Health and Wellbeing services and to free up the time of GPs and nurses from non-medical appointments. This project is one of the Council's Flagship activities for 2018/19 and further information is provided at Appendix C.

Number of households accepted as homeless

39. There has been a reduction in the numbers accepted as homeless in 2017/18 to 37 from 44 in the previous year. The focus of the Housing Needs Team continues to be the prevention of homelessness. 931 households were provided with face-to-face housing advice in 2017/18, an increase on the previous year's figure of 890.
40. The implementation of the Homelessness Reduction Act in April 2018 is bringing additional responsibilities for Councils which will lead to additional homeless applications and the need for more in depth casework. All households approaching the Council as homeless or threatened with homelessness must have a full assessment and be provided with a Personalised Housing Plan in writing. It also introduces a new duty referred to as the "relief duty", which is likely to lead to more use of temporary accommodation. Please see the following paragraphs for more information
41. A report outlining the implications of the Homelessness Reduction Act will be presented to the Scrutiny Committee for Community, Housing and Planning on 27th June 2018.

Number of households living in temporary accommodation

42. The numbers in temporary accommodation at the end of March 2018 was 51, compared to 46 at the same time in 2017. Where households need to be placed in temporary accommodation, the priority is to limit their length of stay there. This means providing the necessary support to secure long-term housing. One of the new indicators that the Committee started monitoring in 2017/18 is the average length of stay in temporary accommodation, which was 34 weeks compared to 31 weeks in 2016/17.
43. The relief duties in the Homelessness Reduction Act are likely to further increase the need for temporary accommodation and the budget has been increased to reflect this. As previously stated, a report will be presented to Scrutiny Committee for Community, Housing and Planning on 27th June, which outlines alternatives to guest house accommodation. Please see paragraphs 61 - 62 for more information on this service.

Building Control site inspections carried out within 24 hours of date requested

44. 98% of the Building Control site inspections in 2017/18 were carried out within 24 hours of the date requested, with 7,635 inspections in the year. This is at the target level and a similar level of performance to the previous year when there were 7,393 site inspections. Please see paragraph 76 for more Building Control information.

Processing of planning applications

45. The speed of determining planning applications remains good, with targets exceeded for majors, minors and others planning applications and performance improved from the previous year. This has been achieved against the background of a sustained level of development in the District and high levels of planning applications with 2,723 applications determined in the year, compared to 2,776 in 2016/17.
46. Mid Sussex District Council's planning performance in 2017/18 compares very favourably against other Sussex councils and the national average as shown below:

	Majors (13 weeks or agreed extension of time)	Minors (within 8 weeks)	Others (within 8 weeks)
Adur*	100%	85%	90%
Arun	92%	95%	92%
Chichester	89%	79%	82%
Crawley	84%	88%	95%
Horsham*	100%	97%	98%
Mid Sussex	97% (64 apps)	96% (450 apps)	98% (1,218 apps)
Rother	88%	80%	82%
Worthing*	91%	83%	85%
2016/17 District Council average	86%	82%	89%

*cumulative figure up to 3rd quarter 17/18

47. In order to meet their targets for processing planning applications, Development Management is supported by a number of other sections of the Council, including the Planning and Building Control Support Team. They met their target last year to validate planning applications within 5 working days of submission in 98% of cases. Other examples particularly in relation to major applications include support provided by Legal Services for s106 agreements and Housing for affordable housing requirements, together with input to applications provided by Environmental Protection, Drainage and Community Leisure.
48. The adoption of the District Plan and identification of the 5 year land supply will change the way that planning applications are determined and is likely to reduce the number of planning appeals allowed. 36% of appeals against the refusal of planning permission were allowed in 2017/18 against the target of 33%. This is already reducing, with none of the appeals in April 2018 allowed.

Percentage of all postal and NLIS searches that have been replied to within 5 working days.

49. Local Land Charges exceeded their target with 99% of the 2,337 searches received replied to within 5 working days. This compares to 98% in the previous year and 2,610 searches received. The slight reduction in search numbers is a reflection of the housing market. The Council is maintaining its share of the searches market compared with the private search sector, supported by the appropriate marketing of the service.

Performance slightly below target

50. Nine of the indicators fell only slightly below target (within 10%) in 2017/18. Information about these is set out in this section of the report.

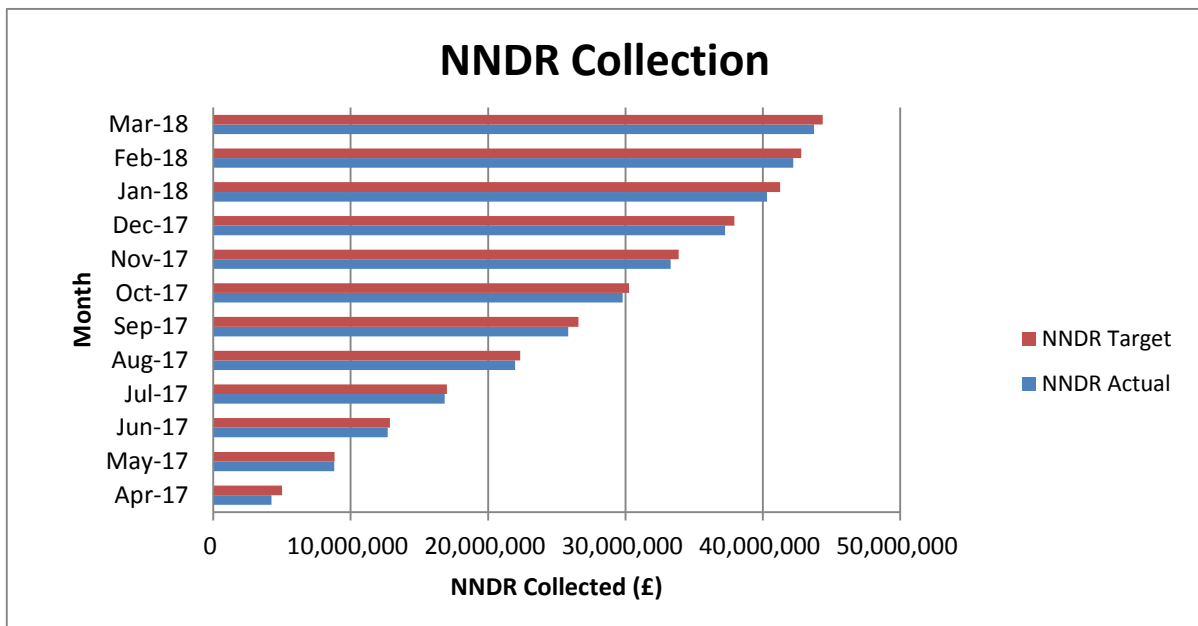
Council Tax collected

51. Council Tax collection in 2017/18 was 98.7%, marginally below the target of 98.8%. In cash terms the amount collected was £96.7 million. This compares to 2016/17 when collection was 98.6%, with £91.6 million received. The amount collected has therefore increased by 5.6%, which is due to the expansion of the Council Tax base in the District from new development and increased taxes in the year.

Non Domestic Rate collected

52. Figure 1 below shows monthly collection against the target across 2017/18. The collection rate at the end of the financial year was 96.6% compared to the target of 98.0%. In cash terms, this amounted to £43.7 million. In 2016/17 collection was 96.8%, with £43.9 million received.
53. Robust processes continue to be in place for the recovery of the rates that are due and have been subject to further review to ensure that the Revenues Team are intervening as early as possible to address non-payment. There are Implications for collection of more businesses taking up twelve instalments per annum, which delays recovery action. The amount due for collection has been affected by the revaluation of business premises for 2017/18 and there are a number of transitional relief schemes in place to limit the increases faced by individual businesses.

Figure 2 below shows monthly collection against targets



Number of e-forms submitted directly by the public

54. There were 28,112 e-forms submitted in 2017/18 against the target of 29,500. This indicator is a new one for monitoring in 2017/18 and is designed to be a measure of digital transactions. There has been a pattern of reduced levels of e-form activity during the latter part of the year due to improved use of the Customer Relationship Management (CRM) system leading to more service requests going through the CRM rather than requiring completion of an e-form. This trend is expected to continue.

Complaints responded to within published deadlines

55. The target to respond to complaints within the published deadlines was met in 97% of cases in 2017/18. Generally the deadline is to acknowledge complaints within 5 working days and to deal with them within a further 10 working days. There were 225 complaints received in the year compared to 207 in 2016/17. The main service recipients as follows:

- Waste and Outdoor Services 53
- Revenues 51
- Landscapes 25
- Development Management 23
- Benefits 15.

56. The increase in the number of complaints from the previous year is partly attributable to a greater awareness of the complaints procedure, both externally and within the Council. There were also some specific factors such as round changes for the bin collections in March; complaints about grass-cutting for both recreational and sports grounds; and issues arising from the delay to delivery of some Revenues post.

Household waste sent for reuse, recycling and composting

57. The combined recycling, reuse and composting rate in 2017/18 was 42.1% compared to the target of 43% and an improvement on the previous year rate of 40.2%. The increase is partly due to the expansion of the garden waste service, which has increased to 17,765 subscriptions by the end of March 2018 (see appendix B). The Council's Recycling Quality Project has also contributed, which includes an educational project aimed at encouraging residents to minimise their waste and recycle efficiently.
58. A pilot project is being carried out with the British Heart Foundation to provide kerbside recycling of textiles and small electrical equipment to 20,000 Mid Sussex properties. This forms one of the Council's flagship activities for 2018/19, with further information included at Appendix C. The Council is working with the West Sussex Waste Partnership to explore additional ways of improving recycling and reducing waste to meet the recycling target of 50% by 2020.

Parking enquiries dealt with within 10 days

59. Performance in 2017/18 was for 93% of enquiries relating to Parking Services enforcement dealt with within 10 days. This relates to 3,038 out of 3,279 items of correspondence dealt with in the target time. Performance in 2016/17 was 99%. With 3,039 out of 3,073 enquiries dealt with within 10 days. Staffing issues involving sickness and recruitment saw the 100% target missed in eight months of the year. These staffing issues have been resolved and the fourth quarter of the year has seen the 100% target achieved.

Environmental Health Service requests actioned and resolved within 3 months of receipt

60. Performance in 2017/18 was 93% of service requests actioned and resolved within 3 months of receipt compared to the target of 96% and with 2,564 service requests received. Performance in 2016/17 was 94% with 2,619 service requests. Requests for services can be across the range of Environmental Health activities, including licensing, housing standards, environmental protection and food hygiene. Additional staff resources were invested in the service for 2017/18 in recognition of the increased levels of service demand and complexity.

Number of households assisted to access the private rented sector

61. A total of 81 households were assisted to access the private rented sector during 2017/18, compared to the target of 84. In 2016/17 the number assisted was 93. Assistance includes using the Council's Rent in Advance and Deposit Guarantee Scheme which helps those without sufficient funds to pay a deposit. A Private Sector Tenancy Negotiation and Sustainment Officer commenced employment on 3rd April 2018 to focus on working with private landlords to increase the supply of private rented properties available to households the Council are assisting.

62. It is increasingly difficult to find private sector landlords who will take people on benefits. This is partly due to the impact of welfare reform which makes most privately rented housing unaffordable to those in receipt of benefits and or on low incomes. This is exacerbated by the discrepancy between the Local Housing Allowance and actual rents in the private sector. For example, the average monthly private rent for a 2 bedroom property in Mid Sussex at September 2017 was £935 against the Local Housing Allowance of £808.

Performance not achieving targets

63. There were five performance indicators in 2017/18 that were 10% or more off target for the year.

Speed of processing new Housing Benefit and Council Tax Support Claims; change of circumstances for Housing Benefit claims

64. At April 2018, the total number of claimants was:

Housing Benefit Working Age	3,685
Housing Benefit Elderly	2,665
Total	6,350
Council Tax Support Working Age	3,122
Council Tax Support Elderly	2,152
Total	5,634
Universal Credit Claims	214

65. The average speed of processing new Housing Benefit applications was 21 days in 2017/18 compared to the target of 18 days. There were 1,653 applications processed. For 2016/17, the average speed was 19 days, with 1,543 new claims processed. For new Council Tax Support claims, performance in 2017/18 was at 24 days against the target of 20, with 1,672 applications processed. This compares to an average of 22 days for the 1,629 claims processed in the previous year.

66. The speed of processing Housing Benefit changes in circumstances was 8 days in 2017/18 compared to the target of 7 days. This related to 20,614 changes in circumstances processed in the year. Performance was also 8 days in 2016/17 against a target of 10 days, with 19,940 changes of circumstances processed. The target for 2017/18 was reduced to 7 days by the CenSus Partnership Board aimed at reducing the number of overpayments and potential loss of Housing Benefit Subsidy.

67. A specific issue that affected performance earlier in the year was the failure by the Council's provider to deliver post to a new PO Box number. This involved delays with the delivery of some 3,000 items of post, which took some time to deal with. Compensation has been sought and obtained from the contractor to fully fund the cost of correcting this, including staff overtime, as well as challenging them to ensure this does not happen again.

68. As reported previously, the Revenues and Benefits service has been going through a period of transition with the disaggregation of the CenSus Partnership and establishment of the Council's own service from 1 April 2018. This has included the setting up of new staff structures and procedures, whilst a soft transition takes place to protect business as usual. It is anticipated that while the Council will continue to collaborate with Horsham/LGSS we will be responsible for our own transactions for Revenues and Benefits from July 2018.
69. There has been a conscious focus on improving accuracy of assessment in order to minimise losses of Housing Benefit Subsidy, rather than just the speed of processing. Accuracy of processing is being monitored against all benefit cases processed rather than just the ones selected for accuracy testing. Procedures have been informed by working with the Department of Works and Pensions Performance Development Team.
70. Separation from the Census Partnership means that the Council can set its own Revenues and Benefits performance targets. The emphasis on getting the right benefit to the right person at the right time is reflected in two additional indicators that will be monitored in 2018/19 reporting on the accuracy of benefits assessment and the level of Local Authority overpayment error. This was also reflected in the excellent housing benefit subsidy outcome for the 2016/17 claim, when the Council did not lose a penny to the Department for Work and Pensions. The signs are also very promising from the initial work for the 2017/18 subsidy claim. Members will note that this is a marked improvement on previous years.
71. The service is preparing for the implementation of the ongoing rollout of the full service of Universal Credit, which goes live in Mid Sussex on 6 June 2018, including working with the DWP Performance Development Team during the transition. The implementation of Universal Credit will have significant implications for Benefits administration, reducing the number of new claims and increasing greatly the number of changes in circumstances. It provides for a single monthly payment, which will eventually replace:
- Income Support
 - Income Related Job Seeker's Allowance
 - Income Related Employment Support Allowance
 - **Housing Benefit**
 - Working Tax Credit
 - Child Tax Credit.
72. Given the single monthly payment, concerns have been raised about the need for financial support to be provided for people who are awarded the new Universal Credit. A preparing for Universal Credit Working Group has been established chaired by the Business Unit Leader for Revenues and Benefits and involving local partner organisations such as the DWP, Job Centre Plus, West Sussex County Council and the Citizens Advice Bureau (CAB). The Council is in receipt of a DWP grant in order to provide Personal Budgeting Support and Assisted Digital Support for those vulnerable people in receipt of Universal Credit and has allocated this to the CAB, with whom we have a partnerships grant arrangement. This additional funding will enable them to provide extra training for their volunteers and appoint specialist financial advisers.

73. A Universal Credit Learning Session for all Members will take place on 10 July to provide more information and identify the implications for the Council, Members and claimants. Officers will continue to keep Members fully updated on the roll out of Universal Credit, including the impact on our own services.
74. The Council is looking to introduce a Council Tax Support Banded Income Scheme to reduce the workload of the Benefits Service following the introduction of Universal Credit. At the moment a penny change in income results in a new assessment for Council Tax Support.

Ethnic minority representation in the workforce

75. In 2017/18, the ethnic minority representation in the workforce was 3.7% against the target of 5%. This indicator is being changed to a health check indicator in 2018/19, without a target, recognising that the Council has limited control over the number of BME employees. There are a number of measures in place to ensure equal opportunities in the Council's recruitment, including the anonymising of application forms at the shortlisting stage and inclusive advertising of job vacancies.

Percentage of plans received by Building Control which are checked within 15 working days

76. 78% of the plans received by Building Control in 2017/18 were checked within 15 days compared to the target of 87%, with 1,244 plans checked. Performance in 2016/17 of 93% when 1,274 applications were received. Performance was adversely affected by staffing issues between May and August, which brought down performance for the year. Out of the total number of applications that were assessed over the 15 day target, 57% of these were assessed within 18 working days (3 days over target) and performance over the last 4 months of the year exceeded the target. The Building Control service has also placed an emphasis on carrying out site visits quickly and overall income is well up on budgets.

Other performance information

Crime and Antisocial Behaviour

77. The crime rate per 1,000 population in Mid Sussex in 2017/18 was 45.05, compared to 40.70 in the previous year, an increase of 10.7%. It is worth noting that there has been an increase in crime across West Sussex. Mid Sussex is the second safest District in West Sussex behind Horsham. The Council continues to work through the Mid Sussex Partnership to prevent crime and anti-social behaviour in the District.
78. The Scrutiny Committee for Community, Housing and Planning receives reports on the Mid Sussex Partnership and all Members were invited to attend a workshop by Sussex Police on 17 January 2018 regarding their new local policing model. One of the Council's flagship activities for the year ahead is to put in place new and improved CCTV arrangements in the District, in partnership with Sussex Police and the town councils (please see Appendix C).
79. There were 49 newly opened anti-social behaviour cases in 2017/18, a reduction upon the previous year's figure of 85. These refer to cases dealt with by the Council's Anti-Social Behaviour Officer, the majority of which relate to neighbour disputes. This indicator will change in 2018/19 to also report upon the resolved anti-social behaviour cases as a percentage of those referred.

The Number of Disabled Facilities Grants completed

80. 91 disabled facilities grants (DFGs) were completed in 2017/18. These grants provide for a range of home adaptations to help disabled people to live more independently in their own homes, including ramps, stairlifts, adapting kitchens for wheelchair use and replacing baths with level access showers. New and improved procedures for dealing with DFGs are being introduced across West Sussex, which forms one of the Council's flagship activities for 2018/19 set out in Appendix C.

Progress to Flagship Activities

81. Included at Appendix B is an end of year report on progress with the flagship activities for 2017/18. These activities have generally progressed well, although as explained further in the appendix, the target to deliver 200 new affordable homes has not been met with a final figure for the year of 97. The speed of delivery of affordable housing is determined by developers and the market. A full explanation can be found at Appendix B.
82. A new set of flagship activities has been identified in the Corporate Plan for 2018/19 and the report attached at Appendix C indicates how progress with these activities will be monitored with an indication of initial progress in the year to date.

Consideration of the Performance Report by the Scrutiny Committee for Leader, Resources and Economic Growth on 13th June 2018

83. The Committee expressed satisfaction with the direction of travel and improved levels of performance in 2017/18 compared to the previous year. Particular comments were made about the improved performance of the Customer Services Team, the investment made in the Council's leisure centres reflected in increased levels of membership and the expansion of the garden waste service.
84. The performance of the Revenues and Benefits service was raised in the context of the move away from the CenSus Partnership. The Cabinet Member for Finance and Performance updated on progress with the establishment of the Council's own service and the change in emphasis to accuracy, rather than just the speed of processing of Benefit claims. This would provide the best service to benefit claimants and ensure that the Council did not lose Housing Benefit Subsidy.
85. The Committee raised some concerns about progress in providing additional affordable homes and the increasing numbers in temporary accommodation. The Leader commented on the importance of the 30% affordable housing policy in the District Plan and of working with Homes England and a range of Registered Providers to deliver more affordable housing. This would include exploring use of the Council's own land. The Council is also seeking authority to provide its own temporary accommodation in the District through acquisition and leasing arrangements, which is the subject of a report to the Scrutiny Committee for Community, Housing and Planning on 27th June 2018.
86. The Committee expressed interest in the preparations that had been made for the roll out of Universal Credit in the District. Members were pleased to see that the Council's grant from the Department of Works and Pensions for Personal Budgeting Support and Assisted Digital Support was being used to help vulnerable people in receipt of Universal Credit through the Citizens Advice Bureau (CAB). The Council

has a partnership grant arrangements with the CAB, which would help to monitor their performance.

87. The Committee discussed the increase in reported crime within the District. The Leader noted that the figures are reported for information but are outside of the Council's direct control. He assured Members that as part of his role as Chairman of the Mid Sussex Partnership, regular updates are received from the Police on work to address crime in the District. Sussex Police had met with District, Town and Parish Councils to update on the new policing model. The Leader noted the work to bring forward new CCTV arrangements and encouraged Members to play a part by being vigilant within their Ward.

Conclusions

88. This report shows a good level of performance in 2017/18, especially considering the continued high workload experienced by many sections of the Council. This is particularly the case for the planning and housing related Business Units, given the level of development in the District bringing additional planning applications and demand for Building Control services.

Policy Context

89. This performance report sets out how the Council has performed against the targets set out in its Service Plans and Corporate Plan for 2017/18 and how progress will be monitored to the flagship activities for 2018/19.

Financial Implications

90. There are no direct financial implications contained within this report.

Risk Management Implications

91. There are no specific risk management implications arising from this report. Performance across the Council was seen as a strategic risk in the past but the Council has a proven track record in performance management and it is no longer seen as a significant risk.

Equality and Customer Service Implications

92. The equality and customer service implications of each of the services mentioned in this report are subject to their own separate equality impact assessments.

Other Material Implications

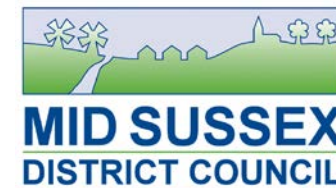
93. There are no other material implications arising from this report.





Background Papers

None.

Year End Performance Report for 2017 – 2018



Cabinet





PI Status			
	OK – on target		Alert – off target (10% or more)
	Warning –slightly off target (up to 10%)		Data Only



Finance and Performance Portfolio



Finance



Percentage of undisputed invoices paid within 10 days of receipt <i>There were 5,129 invoices paid in the year.</i>		Value	Target	Status
	2017/18	97.8%	95.0%	
	2016/17	98.1%	90.0%	



Revenues and Benefits



Speed of processing - new Housing Benefit claims <i>1,653 new claims were processed in the year.</i>		Value	Target	Status
	2017/18	21	18	
	2016/17	19	18	

Speed of processing - new Council Tax Support claims <i>1,672 new claims were processed in the year.</i>		Value	Target	Status
	2017/18	24	20	
	2016/17	22	20	

Speed of processing - changes of circumstances for Housing Benefit claims <i>20,614 changes in details processed in the year.</i>		Value	Target	Status
	2017/18	8	7	
	2016/17	8	10	



Speed of processing - changes of circumstances for Council Tax Support claims <i>14,379 changes in details processed in the year.</i>		Value	Target	Status
	2017/18	10	10	
	2016/17	09	10	

Percentage of Council Tax collected <i>£ 96,739,569.15 collected in the year.</i>		Value	Target	Status
	2017/18	98.7%	98.8%	
	2016/17	98.6%	98.8%	



Percentage of Non-Domestic Rates Collected <i>£ 43,729,873.03 collected in the year.</i>		Value	Target	Status
	2017/18	96.6%	98.0%	
	2016/17	96.8%	98.0%	



Deputy Leader and Resources and Economic Growth Portfolio

Economic Development

Non Domestic Rates (this is the net collectable figure after rates and exemptions have been applied)		Value	Target	Status
	March 2018	£44.35m		
	March 2017	£44.66m		



Property and Asset Maintenance



Return on tenanted non-residential property portfolio		Value	Target	Status
	2017/18	6.98%		
	2016/17	10.98%		


The percentage of rent due collected <i>The amount of rent collected in the year was £1,750,990.31.</i>		Value	Target	Status
	2017/18	99%	97%	
	2016/17	99%	97%	



Customer Services Portfolio


Customer Service & Communications
--


Number of Complaints received		Value	Target	Status
	2017/18	225		
	2016/17	207		



Average waiting time (in seconds) to speak to a customer services officer for all services answered in the Customer Contact Centre, including switchboard. <i>The number of call answered in the year was 85,395.</i>		Value	Target	Status
	2017/18	22	30	
	2016/17	25	40	

Percentage of enquiries resolved at point of Contact		Value	Target	Status
	2017/18	86%	75%	
	2016/17	<i>New Performance Indicator</i>		



Number of Compliments received		Value	Target	Status
	2017/18	268		
	2016/17	189		



Number of e-forms submitted directly by the public		Value	Target	Status
	2017/18	28112		
	2016/17	<i>New Performance Indicator</i>		



Monthly customer satisfaction scores		Value	Target	Status
	2017/18	98%	80%	
	2016/17	<i>New Performance Indicator</i>		



Percentage of complaints responded to within published deadlines		Value	Target	Status
	2017/18	97%	100%	
	2016/17	100%	100%	

Human Resources



Staff sickness absence rate (Cumulative)		Value	Target	Status
	2017/18	7.6	8.0	
	2016/17	8.4	8.0	



Staff turnover		Value	Target	Status
	2017/18	12.48%	15%	
	2016/17	13.85%	12%	

Ethnic Minority representation in the workforce - employees		Value	Target	Status
	2017/18	3.7%		
	2016/17	5.5%		



Percentage of Employees with a Disability		Value	Target	Status
	2017/18	5.4%		
	2016/17	4.8%		



ICT



The percentage of ICT help desk service requests completed within the target time agreed with the customer <i>There were a total of 5,392 service requests received in the year.</i>		Value	Target	Status
	2017/18	95%	87%	
	2016/17	95%	85%	



Percentage of ICT helpdesk calls outstanding		Value	Target	Status
	2017/18	13%	20%	
	2016/17	17%	20%	

Legal and Member Services				

The percentage of agendas which are published on the website 5 days before a meeting		Value	Target	Status
	2017/18	100%	100%	
	2016/17	100%	100%	

Number of legal cases which are live as at the end of each month		Value	Target	Status
	Q4 2017/18	296		
	Q4 2016/17	264		

Number of legal cases opened each month		Value	Target	Status
	Q4 2017/18	104		
	Q4 2016/17	98		

Number of legal cases closed each month		Value	Target	Status
	Q4 2017/18	67		
	Q4 2016/17	49		

Service Delivery Portfolio

Landscapes



Adherence to the agreed work plan for all regular scheduled grounds maintenance work in the District		Value	Target	Status
	Q4 2017/18	95%	95%	
	Q4 2016/17	95%	95%	



Leisure Operations



The number of visits made to the Leisure Centres and Civic Halls		Value	Target	Status
	2017/18	1,854,920	1,705,124	
	2016/17	1,885,614	1,838,875	


Waste and Outdoor Services

Amount of waste per household which is disposed of in landfill sites (kilos)		Value	Target	Status
	2017/18	433	473	
	2016/17	439	468	



Percentage of household waste sent for reuse, recycling and composting		Value	Target	Status
	2017/18	42.1%	43%	
	2016/17	40.2%	42.6%	



Dry recycling rate which goes towards the PI Percentage of household waste sent for reuse, recycling and composting		Value	Target	Status
	2017/18	28.6%		
	2016/17	27.7%		



Composting rate which goes towards the PI Percentage of household waste sent for reuse, recycling and composting		Value	Target	Status
	2017/18	13.43%		
	2016/17	12.58%		


Number of subscriptions to green waste composting		Value	Target	Status
	March 2018	17,765		
	March 2017	<i>New Performance Indicator</i>		

Parking Services

Percentage of formal appeals of parking penalty charge notices issued <i>30 cases went to appeal out of 15,259 PCNs issued.</i>		Value	Target	Status
	2017/18	0.19%		
	2016/17	0.18%		



<p>The percentage of enquiries relating to enforcements within Parking Services which are dealt with within 10 days.</p> <p><i>There were 3,279 correspondence items received during the year.</i></p>		Value	Target	Status
	2017/18	93%	100%	
	2016/17	99%	100%	



<p>The percentage of car park machines repaired within 2 days (there are 55 parking machines in the District)</p>		Value	Target	Status
	2017/18	98%	97%	
	2016/17	100%	97%	



<p>Cancellation rate of Penalty Charge Notices</p>		Value	Target	Status
	2017/18	8%	9%	
	2016/17	<i>New Performance Indicator</i>		

Community Portfolio



Environmental Health



<p>Proportion of Environmental Health service requests which are actioned and resolved within 3 months of receipt</p> <p><i>2,564 service requests were received in the year.</i></p>		Value	Target	Status
	2017/18	93%	96%	
	2016/17	94%	96%	



Percentage of Environmental Health service requests that are responded to within five working days <i>4,106 service requests were received in the year.</i>		Value	Target	Status
	2017/18	99%	97%	
	2016/17	98%	97%	



Disabled Facilities Grants completed		Value	Target	Status
	2017/18	91		
	2016/17	81		

Community Services, Policy & Performance

The number of newly opened anti-social behaviour cases		Value	Target	Status
	2017/18	49		
	2016/17	85		



Overall Crime Rate per 1000		Value	Target	Status
	2017/18	45.05		
	2016/17	40.70		



Number of health and wellbeing interventions delivered		Value	Target	Status
	2017/18	1,46	1,400	
	2016/17	1,717	1,000	



Proportion of health and wellbeing interventions resulting in health improvement		Value	Target	Status
	2017/18	91%	75%	
	2016/17	89%	66%	



Housing and Planning Portfolio


Housing

Number of households assisted to access the private rented sector		Value	Target	Status
	2017/18	81	84	
	2016/17	93	70	



Number of affordable homes delivered (gross)		Value	Target	Status
	2017/18	97		
	2016/17	176		



Number of households accepted as homeless		Value	Target	Status
	2017/18	37	60	
	2016/17	44	40	

Number of households living in temporary accommodation		Value	Target	Status
	2017/18	51	65	
	2016/17	48	45	



The average time that households are spending in temporary accommodation (weeks)		Value	Target	Status
	2017/18	34		
	2016/17	<i>New Performance Indicator</i>		



Building Control



The percentage of plans received by Building Control which are checked within 15 working days <i>1,244 plans were checked in 2017/18.</i>		Value	Target	Status
	2017/18	78%	87%	
	2016/17	93%	87%	



Building Control Site inspections carried out within 24 hours of date requested. <i>There were 7,635 site inspections in 2017/18.</i>		Value	Target	Status
	2017/18	98%	98%	
	2016/17	98%	98%	



Development Management



Validation of planning applications within 5 working days <i>3,265 planning applications received in the year.</i>		Value	Target	Status
	2017/18	98%	98%	
	2016/17	97%	98%	

Costs awarded against the Council where the decision of the Council is overturned at Planning appeal		Value	Target	Status
	2017/18	£00		
	2016/17	£6767		



Processing of planning applications: Major applications <i>64 applications received in the year.</i>		Value	Target	Status
	2017/18	97%	79%	
	2016/17	93%	79%	

Processing of planning applications: Minor applications <i>450 applications received in the year.</i>		Value	Target	Status
	2017/18	96%	84%	
	2016/17	95%	84%	

Processing of planning applications: Other applications <i>1,218 received in the year.</i>		Value	Target	Status
	2017/18	98%	94%	
	2016/17	98%	94%	

Planning appeals allowed		Value	Target	Status
	2017/18	36%	33%	
	2016/17	38%	33%	

Land Charges

The percentage of Local Authority Searches replied to within 5 working days 2,337 searches received in the year.		Value	Target	Status
	2017/18	99%	96%	
	2016/17	98%	96%	

Appendix B

Cabinet 9th July 2018

End of year progress to Flagship Activities 2017/18 under the Council's Priorities

Council Priorities and Flagship Activities	Service Head	Cabinet Member	Monitoring arrangements
Effective and responsive services			
Improving our customer service with more enquiries dealt with at the first point of contact	Simon Hughes	Mandy Thomas-Atkin	New Performance Indicators are being monitored in 2017/18, including % of enquiries resolved at first point of contact and customer satisfaction scores.
<p><u>Progress</u></p> <p><i>The percentage of enquiries resolved at first point of contact was 86% for the year and well above the target of 75%. This only refers to successful submission of self-service on-line forms. Telephone calls that come into the Customer Services Team and are then dealt with by forwarding onto other parts of the council will also form part of this performance indicator. Work is progressing to identify a new phone provider which will assist with establishing this performance information. We have met with a number of potential suppliers.</i></p> <p><i>Customer satisfaction for the year was 98% positive, measured through monthly telephone surveys of a sample of customers who had telephoned the customer contact centre. Methods of sampling a larger customer base are being investigated by our Digital Team and this will include feedback on written interactions with the Customer Services Team. A more robust survey of telephone interactions with the Customer Services Team will be included as part of any future phone system as mentioned above.</i></p>			
Increasingly digitising our services to make them more customer friendly by improving efficiency	Simon Hughes	Mandy Thomas-Atkin	New Performance Indicators are being monitored for 2017/18, such as the number of e-forms submitted directly by the public.
<p><u>Progress</u></p> <p><i>The number of e-forms submitted directly by the public for the year was 28,112, compared to the target of 29,500. Web forms have been improved, with frequently used web forms simplified and placed more prominently on our webpages. Improved procedures have been introduced in the Customer Services Centre for dealing with requests for services, which no longer requires the Customer Contact team to complete an e-form, with service requests now able to be loaded direct into the Salesforce Customer Relation Management (CRM) System. The overall effect is a time saving in the Customer Services Centre freeing up individuals to field more customer calls. This new process is ahead of schedule and moves the Customer Services Centre closer to full digitisation. Building Control and Parking have completed this transition in the year and more services will follow this same process in the future meaning the number of e-forms submitted is likely to drop further.</i></p> <p><i>These initiatives and the new CRM have helped to reduce the number of telephone calls received</i></p>			

by the Customer Services Team. From 2014/15, baseline call volumes have decreased by over 20,000 calls, representing an estimated £51,200 efficiency gain. Efficiency has also been enhanced by several different services being able to be dealt with in one call at the first point of contact.

Progress with the Council's Digital Programme was reported to the Scrutiny Committee for Customer Services and Service Delivery on 13 February 2018.

Sustainable economic growth

Progressing the Town Centre redevelopment at Burgess Hill

Peter Stuart

Jonathan Ash-Edwards

Written report on progress.

Progress

Closure of the Martlets Hall will take place on 30 June 2018 to allow for the redevelopment of the town centre by New River Retail. The Council is working to support the relocation of the remaining users to other local venues and negotiated a financial contribution from New River Retail to assist with this. The Library that occupies part of the Hall will remain open until later in the year (October 2018) when it will move to temporary accommodation ahead of the demolition. Agreements are in place for the relocation of the library and works are scheduled to start on the library's temporary location in June.

The Martlets Heights has been vacated ready for demolition, and the Heights Gym has been relocated to a temporary site in the Mall. The Telecoms masts have been relocated from the Martlets Heights in preparation for demolition.

New Lidl store, Leylands Road: demolition of the gas holder on Leylands Road was completed in Autumn 2017 and thereafter the decontamination and levelling works to ready the site for development have been taking place. Those works were completed in March 2018, and NewRiver are currently importing clean crushed material to cap over the entire site, due to complete in this month (May 2018). Lidl will start construction of their new store as soon as they take possession of the Leylands Road site following the capping work described above, with the store due to open February 2019.

The Iceland Store relocated in February 2018 to the reconstructed retail unit on Church Walk (formerly Store 21), which had been under development since the start of January 2018. Construction will begin in summer 2018 on the town centre new complex, which will feature over 14,000m² of retail space, a 10 screen cinema, a 63 bed hotel, a new library, and 142 new homes. Key dates for the development of the new complex are as follows:

- | | |
|---|--------------------|
| • Start works to Temporary Library Units 2a, 2b, 2c | Spring 2018 |
| • Complete works to Temp Library and relocate existing Library | Autumn/Winter 2018 |
| • Start demolition works to Martlets Heights, then Library & Hall | Autumn 2018 |
| • Place main construction contract | Autumn/Winter 2018 |
| • Handover Leylands Road to Lidl & Lidl vacate | Spring 2019 |
| • Start demolition works to Lidl & carpark | Spring 2019 |
| • Complete retail to shell & core | Autumn 2020 |
| • Complete residential development | Autumn 2020. |

Redevelopment of the station quarter at Haywards Heath including the opening of the new Waitrose store and also work on East Grinstead Town Centre	Peter Stuart	Jonathan Ash-Edwards	Written report on progress.
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Progress

The new Waitrose store in Haywards Heath opened on 30 March 2017 and forms part of the £35m station quarter redevelopment that also includes two other smaller retail units, a new three-level multi storey car park with an additional 230 spaces, (total 1,057 spaces) and a new foot bridge linking the car park to all platforms.

Adjacent to the Station Quarter at Haywards Heath, planning permission has been granted for the former Perrymount House, Perrymount Road to be a 78 bed Premier Inn hotel and associated restaurant. A new planning application has been received, and work on the design of the new development is currently progressing.

Work to redevelop the former Martell's site in Queens Walk, East Grinstead has commenced. The site will be redeveloped to provide 129 homes, 1,624 square metres of retail space and a new car park. Revisions to the agreed planning application of May 2017 were agreed at the District Planning meeting on 25 January 2018. Apart from some technical matters there were revisions to the internal layout of apartments, the external appearance, size and bulk of the structure and additional parking.

Working towards the provision of new business parks at Burgess Hill	Judy Holmes	Jonathan Ash-Edwards	Written report on progress.
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Progress

Employment space: The Hub

The first reserved matters application for the Hub has now been approved and all pre-commencement conditions have been cleared for phase 1 of the development (of a total of 6 phases). Work is expected to start on site in summer 2018 as planned.

The owner continues to promote the site to tenants for the next phase of the site. The Council will continue to engage positively with pre-application discussions over phase 2.

Science and Technology Park

The Science and Technology Park is the most ambitious of the three employment space developments within the wider Burgess Hill Growth Programme. The Park will occupy a 48 hectare site providing 100,000m² of high quality employment space, and will play a key role in our wider strategy to retain graduates from universities in Sussex and to create more high value/high skilled jobs within the district.

The focus of the Park will be based around a core facility of a commercial, academic or research organisations. In addition, there will be a range of satellite functions including additional research facilities and business incubator and accelerator units. These units will work together to offer support, mentorship, office space, and financial and technical services to help create and grow young businesses.

The Park will also feature a range of ancillary services including a hotel providing conference facility space and meeting rooms, that will establish the Park as a much wider resource for the local resident and business community.

The site is being actively promoted by the landowner who is working in partnership with the site promoters who benefit from significant private financial backing. Monthly project meetings are held with the promoters of the Hickstead Science and Technology Park and the scope of the work required to facilitate the delivery of the site has been identified and is being progressed.

The Secretary of State for Business, Energy and Industrial Strategy (BEIS), Greg Clark MP visited the Council on 29 March 2018 to discuss the Science and Technology Park and offer his support to the project. The Park also has the active support of the Department for International Trade (DIT). The DIT and the LEP are facilitating on-going meetings between the site promoters and potential tenants for the Park.

The Government has recently launched a global investment drive to support Science Parks and the Council's park is one of 68 nationally being promoted.

Providing Economic Development Grants to support business	Judy Holmes	Jonathan Ash-Edwards	Written report on progress, including updates on awards under the Micro-Business Grants Scheme through the Cabinet Grants Panel.
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Progress

The Council has completed a final review of the 2017/18 microbusiness grants. The key findings of that review are as follows:

- 55 bids were submitted*
- 48 grants were awarded*
- three of the grants were subsequently not claimed, meaning that a total of 45 grants were paid to local businesses*
- a total of £74,990 in grant funding was awarded against a budget of £71,000, reflected the strong demand for the scheme. The balance of £3,990 was made up from the Community and Economic Development Grant fund*
- over £297,000 in match funding was committed to the projects that were supported.*

The new microbusiness grant scheme for 2018/19 was launched on 25 April 2018. The Council has promoted the scheme through multiple channels including social media, the AGM of the Haywards Heath Business Association on 13 March and the Burgess Hill Means Business exhibition on 4 May.

So far 16 bids have been received, seeking a total of £26,663 in grant funding against match funding of £52,109. Of those bids two are to support the recruitment of an apprentice. Due diligence reviews of each of the business will take place during this month and next month, with the first cabinet grants panel taking place on 19 June.

Alongside the microbusiness grants fund the Council will also launch the Independent Retailers' Fund. This programme is new for 2018/19. This is a West Sussex-wide initiative. It offers funding to help retailers enhance the impact of their shops on the high street using two approaches: staff training and shop front improvements.

For Mid Sussex, a total of £18,200 is available for workshops and training, with individual awards of £500 for training and £1200 for workshops. A total of £21,000 is available for shop front

enhancements, up to a maximum of £4,000 per bid to fund up to 75 per cent of the total cost. The procurement of training providers will take place next month, and the programme will be launched soon after the provider's appointment. In promoting the scheme we will particularly look to identify retailers in the District's three towns and second tier settlements whose shopfronts would especially benefit from improvements and strongly encourage them to apply for the scheme.

Production of a new Economic Development Strategy

Judy Holmes

Jonathan Ash-Edwards

Written report on progress with developing a new strategy. There may be new Performance Indicators coming out of the Strategy.

Progress

The Council's refreshed Economic Development Strategy for 2018-31, and action plan for 2018-2023 was formally adopted by Council on 25 April. The Strategy is structured around four key themes: Place, Premises, People, and Promotion. Taken together these themes present a vision for how Mid Sussex should develop between now and 2031 in order to ensure a thriving and sustainable economy. The Strategy also features a detailed Action Plan to be updated every five years which sets out the specific activities that we will undertake and the outcomes those actions will deliver. Through the Action Plan we will make significant steps forward in taking Mid Sussex on its journey towards our vision for 2031.

The Strategy will be launched on 21 June 2018 at a high profile event with significant political and business support. The launch event will be held on site with CAE – a global leader in aviation training based in Burgess Hill. 80 delegates from local, national, and international businesses. The following speakers are confirmed:

- Rt Hon Sir Nicholas Soames MP
- Wayne Channon, CEO of two leading biotech companies (Cells4Life and Stabilitech)
- Justin Thomas, Director with developer NewRiver, who leading the £65 million Burgess Hill town centre redevelopment
- Professor Adam Tickell, Vice Chancellor of the University of Sussex.

The delivery of the Strategy will be a collaborative enterprise with extensive involvement of partners at local, county, and regional level. With that in mind the Action Plan has been developed with extensive input from key partners including the three local business associations, the Town and Parish Councils, Economic Development Board, Gatwick Diamond and the LEP. Officers have also liaised closely with West Sussex County Council and Greater Brighton to maximise synergies and ensure alignment with their economic development strategies.

Strong and resilient communities**Continue to support our community through grants to local organisations**

Peter Stuart

Norman Webster

Written report on progress from Community Leisure Officer, including Cabinet Grants Panel awards.

Progress

The Cabinet Grants Panel met in April, June and August to and October 2017 and February 2018 to consider Corporate Grants. In 2017/18, a total of £655,708 was awarded to not-for-profit organisations delivering a wide range of community services for residents across the District.

The Council awarded 38 Community and Economic Development grants totalling £110,462 to support a wide range of activities such as counselling services, a dementia café, arts workshops, family activities, sports coaching, military history and remembrance events, playground and outdoor gym equipment. A further, eleven small grants were awarded for Silver Sunday events, which took place across the District in October 2017 to celebrate the contributions of older people.

Fifteen Facility Grants totalling £311,252 were awarded toward capital improvements at six sports clubs, five community buildings, a public art project and public realm improvements. These grants were all funded through Section 106 developer contributions.

We also have Partnership Agreements with five key voluntary sector organisations totalling £231,244 which were awarded to Age UK West Sussex, Age UK East Grinstead, Mid Sussex Voluntary Action, Action in Rural Sussex and Citizens Advice.

Ensure that the “Think Family” community initiatives are delivered and supported

Peter Stuart

Norman Webster

Written update from Partnerships Manager.

Progress

The Mid Sussex Partnership (MSP) has been reviewed and stakeholders consulted with. This has led to a newly defined scope, function and priorities. All of the sub-groups will be also be reviewed between May and August, with projects reporting directly into the MSP. The second meeting of the Strategic Joint Action Group (SJAG) in its new form took place on 14 December. The focus for the rest of this financial year and next continues to be to support the projects currently running, funded from the previous year, and to develop the Strategic Intelligence Assessment. Also to progress the Targeted Intervention Project, which supports families with the most needs through services supplied by the voluntary sector.

There are a number of projects still running that were originally funded by Think Family Neighbourhood initiative money including:

- *Mental Health Awareness – Bentswood Community Partnership.*
- *Volunteer Training - Bentswood Community Partnership.*
- *Sparkle – Hope (anxiety and mental health project for women).*
- *Freedom Programme and Recovery Tool Kit – Safe In Sussex – Safe in Sussex have delivered two cycles of the Freedom Programme, a twelve week course, supporting women experiencing domestic abuse.*

The Early Intervention Project continued throughout this financial year funded by the Police and Crime Commissioner’s (PCC) Office. Funding has been reviewed with the PCC and will remain

the same for 2018/19, but will be reduced for the subsequent two years. Discussions are taking place with the PCC to plan appropriately.

The Council's Early Intervention Officer is currently working with seven families.

Providing an effective Wellbeing Service that helps residents to make healthy lifestyle choices.	Peter Stuart	Norman Webster	Existing PIs- Number of health and wellbeing interventions delivered and proportion of health and wellbeing interventions resulting in health improvements.
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Progress

The total number of interventions delivered by the service in 2017/18 was 1,848 against the target of 1,400. 91% (347) of those supported by the service reported a health improvement.

Referrals in to the service continue to perform well, despite a reduction in funding. The prediabetes and weight management programme delivered across Mid Sussex have been well received. Both programmes are mainly delivered in community venues and GP surgeries across the district and target people struggling with weight management, or who are at risk of developing type 2 diabetes. Combined, both projects have delivered over 406 interventions for 2017/18.

Last financial year the service commissioned a new falls prevention service to provide intermediate strength and balance classes in Mid Sussex. This year the falls prevention programme was taken over by a new provider (Places for People Leisure) and has been incorporated in to the falls pathway, with referrals coming from local physiotherapists, occupational therapists and GPs. The service has helped over 80 people. Furthermore, it has established four self-funded courses for completers. It is now on target to help over 90 people by the end of 2018/19.

The wellbeing commissioned projects in the year have included

- *Weight off Workshops - an adult weight management scheme for people who are overweight or obese.*
- *Wellbeing coaches - to support people with low self-esteem, anxiety or caring responsibilities to access health and wellbeing services.*
- *Back to Exercise - a physical activity project providing very low cost exercise sessions for inactive adults.*
- *'Wellbalanced' falls prevention programme - an older people's physical activity programme promoting strength and balance.*
- *Workplace health – promoting and providing health and wellbeing services in the workplace.*
- *Prediabetes courses - the aim of the project is to assist local residents who are at risk of developing type 2 diabetes.*

The largest single event was the Health Event for Older People, which took place in October at East Grinstead. This was held in partnership with more than 20 partner groups and providing older people with information and advice on staying fit and well in later life.

Enable the provision of 200 new affordable homes	Judy Holmes	Andrew MacNaughton	Existing PI- Number of new affordable homes delivered.
<p><u>Progress</u></p> <p><i>The final number of affordable houses achieved in 2017/18 was 97. The 97 comprises of the following schemes across the district: Lindfield Rural x 33, Burgess Hill x 21, Crawley Down x 15, Haywards Heath x 14, Pease Pottage x 5, Hurstpierpoint x 5, Ansty x 2, Pyecombe x 2 . This shows that 64% of the affordable homes delivered were in the rural areas of the District. The tenure breakdown was 65 rented (67%) and 32 shared ownership (33%). This means that the affordable housing policy requirements of 75% social or affordable rented and 25% for intermediate homes has not been met.</i></p> <p><i>As reported previously, the number of units completed during 2017/18 falls short of the 200 target, with some of the shortfall units expected to be delivered in 2018/19. We continue to work closely with affordable housing providers to improve delivery rates but our control over delivery is constrained by the market and the priorities of developers in relation to build out timings.</i></p> <p><i>There are currently 22 planning applications with a affordable housing element, totalling 1,116 units, where the scheme has been granted outline approval. These schemes are at various stages of the planning process. However 4 of these schemes, totalling 270 affordable units, have received approval more than 2 years ago and have yet to submit reserved matters applications. There are 447 affordable housing units on schemes which have received full or detailed planning permissions but have yet to start on site. Of these, 316 are on schemes that have completed S106 agreements. There are 386 affordable housing units on schemes which are currently on site but have yet to be delivered.</i></p> <p><i>The Scrutiny Committee for Community, Housing and Planning considered a comprehensive affordable housing report at their meeting on 14 November. An all Member Workshop was held on 12 December, when options for improving the delivery of affordable housing were set out, including exploring using the Council's own land to promote affordable housing and to deliver a higher percentage of affordable housing than required by policy. The new affordable housing threshold adopted in the District Plan requires affordable housing to be delivered on sites of 11 or more units or with a combined floor space of more than 1000m². The new threshold should deliver more units than the previous threshold of 15. In addition the new Affordable Housing Supplementary Planning Document has been drafted to ensure affordable housing is delivered in compliance with policy in a timely fashion and suitably integrated. Also the Development Viability SPD has been drafted to ensure that any viability evidence submitted by developers to demonstrate that they cannot comply with policy requirements in relation to affordable housing is rigorously tested and published. The Council is aiming to adopt both these documents at the Council meeting on 25th July 2018.</i></p> <p><i>A report will be presented to Scrutiny Committee for Housing and Planning on the 27th of June seeking authority to provide our own temporary accommodation within the district through acquisition and leasing arrangements to reduce the Council's spend and reliance on guest house accommodation. Cabinet, at its meeting in May, agreed to set aside £4 million to support this development.</i></p>			

Supporting communities with new facilities and playgrounds, such as Ansty recreations ground, Hickmans Lane, Lindfield and Finches Field, Pease Pottage	Peter Stuart	Jonathan Ash-Edwards	Written report on progress with the capital programme and S106 contributions.
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Progress

The Council has awarded Facility Grants of £144,440 in total to Ansty Village Hall and the Ansty Village Hall Centre Trust toward the cost of rebuilding the village hall, sports and social facilities at Ansty Recreation Ground. The total project cost is estimated at approximately £1m (plus car park and landscaping works) and the partner organisations are currently fundraising to deliver the project which has planning approval (DM/16/4609). The Council will grant them an agreement for lease pursuant to a lease agreement to allow them to build on the recreation ground and extend the car park.

Slaugham Parish Council has been awarded a Facility Grant of £666,434 in total to construct a new community hall, sports changing facilities, ancillary access road and car park at Finches Field, Pease Pottage. Work has started on site and is progressing on schedule; construction should be completed by the end of the year.

Lindfield Cricket Club has made an application for a grant toward the cost of extending the pavilion on the Common which will be considered by the Cabinet Grants Panel in June 2018.

Funding has been agreed with Lewes District Council for improvements to the play facilities and pavilion at World's End Recreation Ground, Burgess Hill. This will include the installation of a changing places toilet. Consultation on the improvements to the facilities has been completed and the project is due for completion in the winter of 2018/19.

A new changing and toilet facility has been installed at Fairfield Recreation Ground, Burgess Hill

A scheme to improve the accommodation on offer at Mount Noddy Pavilion is progressing and a planning application submitted with work scheduled to start following grant of consent. This is to be funded from S106s monies.

Options are being explored for the delivery of renewable energy improvements to the Council's pavilions in order to improve their sustainability and reduce energy costs.

Financial independence

The delivery of improvements to the leisure centres	Judy Holmes	Gary Marsh	Existing PI - The number of visits made to the Leisure Centres and Civic Halls. Written report on progress to the plan for implementation of leisure centre improvements.
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Progress

All planned works have now been completed, as follows:

Triangle

New Gym, offices and toilets; new lockers across wet change, dry change and gym; new LED lighting in the sports hall, pool hall and wet change area; new reception and café; new Clip n Climb facility and new Exercise Studio; refurbished male and female Members' changing areas.

Dolphin

New LED lighting in wet change and sports hall; new lockers in wet and dry changing areas; refurbished male and female Members' changing areas; new Members' spa pool; steam room and sauna.

Kings Centre

LED lighting in sports hall and pool hall; wet changing rooms and poolside retiling; and toilet refurbishment.

Attendances and Membership Levels

The 2017/18 attendance figures for the Centres and Halls were well above target with 1,854,920 visits in the year against a target of 1,705,124 (8.8% over target); and by the end of March 2018, leisure centre membership had reached its highest ever level at 14,198 (an increase of 11.7% over the year).

Future Improvements in 2018

A report was presented to Scrutiny Committee for Customer Services and Service Delivery on 22nd November 2017 and to Full Council on 31 January 2018 recommending further improvement works to expand the car park at the Dolphin and upgrade the Leisure Pool at the Triangle.

This work is scheduled to take place between June and August of this year.

Extension of the green waste service to a further 2,000 users	Judy Holmes	Gary Marsh	New Performance Indicator for monitoring - number of green waste service subscriptions.
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Progress

2,006 new customers subscribed to the garden waste service during 2017/18.

The total number of green waste subscriptions at the end of March 2018 was 17,765.

Making best use of our land and commercial property holdings	Peter Stuart	Jonathan Ash-Edwards	Existing PIs the percentage of rental income collected and rate of return. Written report on progress.
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Progress

99% of the rent due on the Council's commercial property was collected in the year which amounts to £3,185,220 in cash terms. The rate of return on the Council's main investment properties in 2017/18 was 7.0%.

The Council has brought in-house the management of the Orchards Shopping Centre in December 2017. This allows the use of our established contractors which results in efficiency savings for both the tenants and the Council.

Work is underway to design and install a changing place toilet at the Orchards Shopping Centre. A planning application has been submitted with work scheduled to start following grant of consent. This is to be funded from S106s monies.

Opportunities are being explored for the appropriate disposal of surplus land and buildings to generate capital receipts. Also to exploit opportunities to provide affordable housing on Council land through schemes at beyond the 30% affordable housing requirement.

Appendix C

Cabinet 9th July 2018

Monitoring of progress to Flagship Activities 2018/19 under the Council's Priorities

Council Priorities and Flagship Activities	Service Head	Cabinet Member	Monitoring arrangements
Effective and responsive services			
Increase levels of recycling by completing a pilot project with the British Heart Foundation for the kerbside collection of textiles and small electrical equipment for 20,000 properties in the District.	Judy Holmes	Gary Marsh	<p>Tonnage collected and number of households participating in the pilot monitored and reported.</p> <p>Contribution of pilot to recycling %, and amount of household waste sent for residual treatment measured and reported.</p> <p>Written report to Scrutiny Committee in January 2019 detailing project outcomes and making recommendations for future provision.</p>
<p><u>Progress</u></p> <p><i>The first wave of collections took place in November 2017, and the results were extremely encouraging, with 3,485 bags of material, weighing nearly 16.7 tonnes being collected over a 2-week period.</i></p> <p><i>Wave 2 took place at the end of April 2018. This saw a further 2-week programme of collections from the same properties, and resulted in another 3,541 bags being collected, with a total weight of 16.9 tonnes.</i></p> <p><i>Both waves saw over 17% of targeted households participating in the scheme.</i></p> <p><i>The final wave of collections is scheduled to take place in October 2018, after which a full report will be prepared, summarising the results of the pilot. A decision will then be required as to whether to continue with this, or any other form of doorstep collections of these materials. This will be considered by Scrutiny Committee in January 2019.</i></p>			
Help our disabled residents live more independently in their homes by implementing a new model for awarding more disabled facility grants.	Tom Clark	Norman Webster	<p>Performance indicator for the number of Disabled Facilities Grants awarded.</p> <p>Written report on progress</p>
<p><u>Progress</u></p> <p>The number of referrals has increased significantly since we introduced our discretionary policy in December 2017 and social services made access improvements.</p>			

Since April we have received 60 new requests for both mandatory and discretionary grants. They include grants for making homes safe; works to allow hospital discharges and returns home; and the installation of level access showers and stairlifts. By the end of June we will have completed 34 grants with an approximate spend of £182,000.

<p>Introduce cashless parking as one of an increasing number of digital services.</p>	<p>Judy Holmes</p>	<p>Gary Marsh</p>	<p>Project timeline drafted and agreed by June 2018.</p> <p>Project to be implemented in three phases from July to September 2018.</p> <p>Following project implementation, monthly and quarterly analysis of consumer behaviour will be undertaken to include; number of pay and display transactions, payment methods and transaction charges, to track the success of the project.</p> <p>Report to Scrutiny Committee with findings in March 2019</p>
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Progress

A project plan has been developed for phased implementation in three phases from July to September 2018.

Haywards Heath will be implemented first, followed by East Grinstead then Burgess Hill, ensuring minimal disruption in each car park as all machines are replaced or upgraded to accept cashless payments.

In conjunction with the machine replacement programme, pay by phone utilising Mi-Permit (part of the Chipside Notice Processing platform) will also be launched.

A communication plan, utilising social and traditional forms of media, has been prepared to accompany the roll-out. The website will be updated to include FAQs and details of how the new machines will operate.

<p>Celebrate the quality of our parks and green spaces by achieving Green Flag accreditation for St Johns Park, Burgess Hill and work towards accreditation for a site in East Grinstead.</p>	<p>Judy Holmes</p>	<p>Gary Marsh</p>	<p>Management Plans and applications submitted by the Green Flag deadline of the end of April 2018.</p> <p>Pre-meetings and site visits carried out with key stakeholders early June 2018</p> <p>Judging takes place mid-June 2018</p> <p>Awards announced August/ September 2018.</p>
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Progress

Management Plans have been prepared and applications submitted for both sites for consideration in the 2018 Green Flag judging round. We are currently awaiting dates for site visits in June 2018.

<p>Deliver enhancements and new attractions to the Leisure Pool at The Triangle Leisure Centre, to increase the number of visits to our leisure facilities and inspire residents to be more active.</p>	<p>Judy Holmes</p>	<p>Gary Marsh</p>	<p>Detailed project plan developed and agreed.</p> <p>Regular Project meetings throughout development and implementation</p> <p>Monthly project progress reports produced for Portfolio Holder.</p> <p>Number of visits to the Leisure pool monitored pre-and post-implementation to assess impact of works.</p> <p>Leisure Centre membership numbers monitored pre-and post-implementation to assess impact of works.</p>
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Progress

Scope of works agreed as follows:

- *Remove the Falling Rapids ride and replace it with a new multi-person family slide suitable for people of all ages;*
- *Transform the current children's shallow water area into an interactive play area for children of all ages and abilities*
- *Replace the existing poolside tiles with modern colourful wet pour safety flooring.*

A work plan has been drawn up and contractors appointed. Works will be undertaken between 4 June and 20 July, with the leisure pool re-opening in time for the school summer holidays.

Sustainable Economic Growth

<p>Support the roll out of Full Fibre ultrafast broadband to homes and businesses in Mid Sussex by working with local and national partners.</p>	<p>Simon Hughes</p>	<p>Jonathan Ash-Edwards</p>	<p>Written report on progress.</p>
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Progress

The Council's £2.2m bid to the Local Full Fibre Network for Burgess Hill was successful and now the DCMS programme of due diligence on the bid is underway. This is a process consisting of five stages that monitors the bid through from planning, legal work through to implementation.

Work is underway on:

- *Integration with Gigabit West Sussex project principally identifying cost effective and resilient routes;*
- *Discussions with suppliers (Virgin Media, City Fibre, Brighton Digital Exchange);*
- *Working through state aid compliance; and*
- *Scoping procurement approach.*

<p>Help make Mid Sussex a vibrant and attractive place for businesses and people to grow and succeed by establishing an Economy and Inward Investment Team that proactively attracts significant external investment.</p>	<p>Judy Holmes</p>	<p>Jonathan Ash-Edwards</p>	<p>Written report on progress. Figure for the amount of inward investment attracted.</p>
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Progress

To ensure that the Council has the resource to effectively drive forward economic development across the district the Council has invested in a new Regeneration and Economy team. The team will provide dedicated staffing resource to drive forward the delivery of the Economic Development Strategy and Action Plan, as well as providing the resource to deliver robust governance and management of key development projects and programmes across the district. The team will take an active role in engaging with partners to help drive growth and to deliver the many collaborative actions within the Economic Development Strategy Action Plan. As at May 2018, three of the posts within the team have been filled: Economy and Regeneration Programme Manager, and both of the Economic Development Officer roles. The team's apprentice role is currently at the advertisement stage with interviews to take place in June 2018. The Council has invested some £187,000 in establishing the new Regeneration and Economy team.

<p>Support Haywards Heath as an attractive retail destination by introducing new management arrangements and improved facilities at the Orchards Shopping Centre.</p>	<p>Peter Stuart</p>	<p>Jonathan Ash-Edwards</p>	<p>Written report on progress.</p>
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Progress

The retail environment is challenging nationally, however the centre is presently fully tenanted with the exception of two small units that have been difficult to let since the Centre was first built. Most of the leases have been re-gearred to give longer terms. Some of the retailers are requesting more modern and larger units in order to futureproof their trading models.

An asset management strategy is being developed to identify possible options to attract food and beverage tenants in order to increase dwell time.

Investment in the fabric of the centre is planned including renovating the flat roofs and a new changing places public toilet

Strong and resilient communities

Help our communities feel safer and aid the detection of crime by putting in place new and improved CCTV arrangements, in partnership with Sussex Police and the town councils.

Peter
Stuart

Norman
Webster

Written progress update on progress from Partnerships Manager.

Progress

Led by Sussex Police, the installation of 26 new cameras and infrastructure is due to be completed across Mid Sussex by April 2019 as part of a project covering 17 local authority areas in Sussex and Surrey.

There are currently 24 cameras across the District, some owned by MSDC and others by the Town Councils;

- *5 cameras in Haywards Heath (owned by MSDC)*
- *7 cameras in Burgess Hill (5 owned by MSDC & 2 by the Town Council)*
- *12 cameras in East Grinstead (7 owned by MSDC & 5 by the Town Council)*

The current CCTV contract(s) managed by Sussex Police were due to end on the 1 April 2016 and in September 2015 MSDC ran a 12 week consultation asking local people what they thought about the location of CCTV cameras across the three towns. There were 412 responses to the consultation supporting a full upgrade of the CCTV cameras; to decommission two cameras in Church Lane and the Library (East Grinstead); and to include the following new locations;

- *St Johns Park, Burgess Hill;*
- *Victoria Park, Haywards Heath;*
- *George's Field, East Grinstead;*
- *Holtye Avenue, East Grinstead.*

Sussex Police have confirmed that all current cameras in Mid Sussex District will be replaced by 31 December 2018 and the new camera locations and adjustments by 30 April 2019. The project manager will also work with neighbourhood policing colleagues regarding the positioning and installation of a temporary camera in St John's Park, Burgess Hill.

Launch the Wellbeing service pilot at local GP practices to work with residents who need advice and support to lead and maintain healthier lifestyles.

Peter
Stuart

Norman
Webster

Written update and existing PIs- Number of health and wellbeing interventions delivered and proportion of health and wellbeing interventions resulting in health improvements.

Progress

The aim of the practice outreach is to offer a patient based service. Patients will be supported on a 1-2-1 basis and signposting to community services. This can be on any issue such as; social isolation, housing, or debt advice. The advisor will help identify the service needed and help support the client to take charge of their health and wellbeing, reducing inappropriate appointments for GPs and nurses. It is estimated that 20% of GP patient issues are for social

welfare matters.

These initiatives have already commenced through a presence at the Ouse Valley Practice in Balcombe, followed shortly after by the Dolphin Practice, Haywards Heath. Ship Street Surgery has agreed to be our third and final practice to host a wellbeing advisor and this started on 4th May.

Engage and involve our communities in the development and delivery of community facilities and playgrounds, including the Skate Park refurbishment at Victoria Park, Haywards Heath; new community building for the Keymer Brick and Tile development at Burgess Hill; and improving recreational facilities for the Stone Quarry estate at East Grinstead.

Peter
Stuart

Jonathan
Ash-
Edwards

Written report on progress with schemes.

Progress

Construction of the new Keymer Brick and Tile community build is due to start on site in August, with expected handover in January 2020. Two public exhibitions are scheduled on 26 and 29 September, at Manor Field Primary School and St Andrews Church respectively, to publicise the project and encourage community engagements.

Work is ongoing developing facilities at various sites in Mid Sussex. The first site, the Skatepark in Haywards Heath, has now been developed and the new Skatepark was launched in April 2018. This was a culmination of partnership work between MSDC departments, Community Services, Landscapes and Park Rangers and partner organisations Clarion Housing and Creatives Across Sussex. As a follow-up Creatives Across Sussex have been successful in obtaining an Arts Council Grant which will be used to offer a programme of arts based activities around the Skatepark. It is part of a longer term project for Skate parks to be performance and entertainment venues for all young people. Two other sites are being discussed, Court Bushes, Hurstpierpoint and King Georges Field, East Grinstead.

In Hurstpierpoint a group of partner organisations have met to plan strategic community development which has included activities, events and consultations. One event was successfully delivered in February half term with 140 adults and children attending. Other events being planned include a one off Play Day in August, Spray Can art sessions as part of the Hurst Arts Festival and Willowfest a MSDC funded interactive arts based consultation programme.

Positive discussions with local residents group 'Stone Quarry Crew', Clarion Futures Housing & WSCC community development team are ongoing to develop a proposal for a community recreational space at Spring Copse, Stone Quarry in East Grinstead. Clarion Futures have commissioned a landscape design company to produce a costed design proposal and this is currently in development. Discussions are also taking place between the Council and Clarion Futures around potential funding and future site management options.

Install new electric vehicle charging points at key community locations, to expand and improve our sustainable transport network in the District.	Peter Stuart	Jonathan Ash-Edwards	Written report on progress. Sustainability Strategy PI- number of MSDC owned electric vehicle charging points in the District. Number of registered charging point users.
<p><u>Progress</u></p> <p><i>There are currently a total of 6 charging points in the District situated in 3 of the Council's car parks. Initial feasibility has identified 10 sites (20 charge points) suitable for technical survey.</i></p> <p><i>A Corporate Electric Vehicle Project Group has been formed to progress the initiative including charger infrastructure across the District. Options are being considered for the strategic installation and funding of charging points. It is planned to consult with businesses and residents on Electric Vehicle charger needs and look at specific opportunities for Burgess Hill.</i></p> <p><i>Discussion with the Office for Low Emissions Vehicles has identified 75% funding for car park charge points that are available for use by residents without access to off-street parking. Extra sites have been identified but not investigated that may be possible under this funding. A joint bid to the fund is being proposed with Horsham and Crawley. The intention would be to procure an installer under an existing joint framework. Brighton & Hove City Council has just been successful in a £300,000 bid.</i></p>			
Financial Independence			
Generate income from the sale of surplus land for the development of new homes, to support future investment in other community assets and infrastructure.	Peter Stuart	Jonathan Ash-Edwards	Written update on progress. Number of new homes enabled on Council land.
<p><u>Progress</u></p> <p><i>The Cabinet Member for Resources and Economic Growth in March agreed in principle to the disposal of six identified sites and authorised the Head of Corporate Resources to investigate the status of each parcel of land and to test the market. This will allow the officers to bring forward a report to Cabinet or the Cabinet Member for Resources and Economic Growth. These comprised sites at Handcross Car Park , Imberhorne Lane Car Park, East Grinstead; Hammonds Ridge, Burgess Hill; and sites in Haywards Heath at Paddockhall Road, Bentswood Crescent and Bolnore Depot.</i></p> <p><i>These sites will come on the market during the course of the year.</i></p>			
Manage our costs effectively through a variety of projects, including providing a wider range of digital services.	Simon Hughes	Jonathan Ash-Edwards	Written report on progress. Cashable savings delivered.

Progress

While there have been service improvements the programme has also identified efficiency gains and areas where costs have been avoided over the coming months and years. These fall into three areas: efficiency gains, cost reduction and cost avoidance. Many of the changes to date have been cashable but instead used by services to increase capacity to meet changing business needs.

Website redesign has increased the number of customers visiting the site and those that do are finding what they need and/or transacting digitally with the service. This means there are more people using the digital service because it is easier to do so. This has corresponded with a reduction in calls to the CenSus Customer Services Team which is stabilising at 11% fewer calls across comparable periods. This represents approximately a £51,200 efficiency gain for the customer services team in reduced calls. The lines show calls decreasing since the introduction of the new CRM. From 14/15 baseline call volumes have decreased by over 20,000 calls. There are also efficiency gains within other parts of the Council where services have been moved to the contact centre and 'web to case' has been implemented. The gains for customer services are being used to take in more lines of business and provide more customer channels. This time has been used to migrate a range of waste services from the Waste Management Team to the Customer Services Team. This includes the Customer Services Team using social media as a customer services channel (Social CRM) in line with customer expectations. Examples include notifications about the conditions of pitches, publicising events and health and wellbeing initiatives as well as responding to customer queries.

The number of forms successfully digitally accessed has increased by 402% from 2016 to the same period 2017. The number of documents downloaded since the new site has launched has decreased by 16%. This is an efficiency gain of approximately £32,000 per annum.

Response times in the contact centre are a function of the number of calls, the complexity of calls and the time taken to resolve a customer query. There are seasonal variations in the numbers of calls, for example the 4th quarter sees a rise due to annual billing, licencing and other year-end activities. Additionally, volumes increase during elections and other 'one-off' activity. The lines show a decreasing trend since the introduction of the CRM with the response time reducing by over one half since 14/15 from an average of 59 seconds to 23 seconds. There have been reductions in response times for each quarter from the former CRM to 17/18. This means the response time target of 30 seconds is now being exceeded and new services being incorporated with no additional contact staff being recruited.

Email and calendar have been rolled out to staff and Members. The next phase is to move documents and file electronic files to Office 365. Small trials of file sharing have proven effective in providing teams with shared documents and avoiding duplications. Initial projections, using a simple comparison between the cost to provide email on premise versus Office 365's mail boxes online, shows a roughly a 30% saving.

Increase planning fees to provide a more efficient and effective planning service to support economic growth and support financial independence.

Judy Holmes

Andrew MacNaughton

Report the level of income from Planning fees. Planning speed of processing PIs and the average time taken to process planning applications. Accuracy of processing.

Progress

The Cabinet Member for Housing and Planning agreed to the national increase of planning application fees by 20% from 17 January 2018 with the additional income generated to be invested in the planning service. Planning application fees are set nationally and the Government in its Housing White Paper "Fixing our Broken Housing Market" announced its intention to increase planning application fees by 20% with the aim of boosting local authority capacity and capability to deliver development. The offer is conditional on the additional income being invested into the planning service.

A recruitment and retention Business Plan was produced, the implementation of which is nearing completion. Two new planning officers and a Senior Planning Officer have been appointed to date. Recruitment of a Trainee Planning Officer is in progress. Other officers who work part time are now working additional hours. Resources in our Planning Policy team have also been increased through increased working hours on a Senior Planning Officer (completed), the appointment of a trainee (completed) and a Planning Apprentice (out to advert). The overall effect of this is to improve the capacity, capability and resilience of the Development Management and Planning Policy service to deliver development in an effective way.

7. THE PROVISION OF TEMPORARY ACCOMMODATION FOR MSDC

REPORT OF: Assistant Chief Executive
Contact Officer: Emma Shuttleworth, Business Unit Leader - Housing Service
Email: emma.shuttleworth@midsussex.gov.uk Tel: 01444 477431
Wards Affected: All MSDC Wards
Key Decision: Yes
Report to: Cabinet
9th July 2018

Purpose of Report

1. The report sets out a proposal to purchase and lease properties for direct letting and management and thereby minimise the Council's reliance on bed and breakfast and guest house accommodation.

Summary

2. This report, which was considered by the Scrutiny Committee for Community, Housing and Planning on 27th June 2018, demonstrates that by acquiring a portfolio of owned and leased properties the council can significantly reduce the cost of emergency accommodation. At the same time, it will improve the standards of accommodation and the well-being of the households housed in this way. Providing temporary accommodation in the district will enable homeless families to maintain their support networks and to continue to access current schools and employment
3. Appendix 1 provides the background context which supports the proposed approach. It provides detailed information about the costs of providing temporary accommodation in guest houses. Presently the Council spends approximately £346k each year on providing temporary accommodation and these costs are set to increase, mainly due to a shortage of accommodation and the additional duties placed on Councils by the Homelessness Reduction Act 2017. The Council's net spend on temporary accommodation in 2017/2018 was £346k compared to £254k in 2016/17.
4. A feasibility study and business case has been commissioned from a specialist, who has demonstrated how the options to purchase and lease units to use as temporary accommodation can provide financial savings and benefits to the Council. Appraisals Abound summary report is provided in Appendix 2.
5. The report offers a preferred option which was recommended by the Scrutiny Committee for Community, Housing and Planning on 27th June 2018 for approval by Cabinet, utilising the £4m reserves set aside for this purpose, approved by Cabinet on 8th May 2018.
6. Cabinet are asked to note the additional staffing implications of managing the acquired and leased temporary accommodation as well as those required to meet the new duties in the Homelessness Reduction Act.

Recommendations

7. **That Cabinet agrees that the Council acquires a portfolio of up to 20 units and leases up to 10 units to provide temporary accommodation within Mid Sussex District, using the reserves of £4m approved by Cabinet on the 8th May 2018.**

Background

8. Scrutiny Committee for Community, Housing and Planning on 14th November 2017 received a report that provided an overview on Affordable Housing. This was followed by a workshop, "Every Home Matters", held on the 12th of December 2017. This report provides further information about the follow up work that has been carried out since the workshop.
9. At the workshop in December a number of options to provide more temporary accommodation in the District were discussed. This would reduce the amount of spend on temporary accommodation as well as improve the standard of accommodation for homeless households. The options included:
 - The Council purchasing an existing large property to remodel and manage,
 - The Council purchasing a site and or using its own land holdings to develop temporary accommodation and manage it.
 - The Council engaging a housing association to purchase a site to develop a bespoke temporary accommodation scheme or to purchase off the shelf units which they would manage.
10. Appraisals Abound, was commissioned to evaluate further options including a model where the Council bought and managed its own temporary accommodation. A Summary of the report is attached at Appendix 2. The report demonstrates how the option for the Council to purchase and lease its own temporary accommodation would reduce the spend on the temporary accommodation budget significantly, provide a more appropriate solution for homeless households in the district, generate a rental income for the council and provide a potential long term capital investment.

Appraisals Abound Business Plan

11. The business case looked at 3 options to reduce the costs of temporary accommodation based on the Council's known expenditure, the size and types and numbers of households accommodated, and the locations and the costs involved. The options evaluated were:
 - (i) Purchase 20 units to provide a mix of 1, 2 and 3 bedroom units in the 3 main towns as temporary accommodation. The majority of the units would be located in Burgess Hill and Haywards Heath and be 1 or 2 bed to reflect the known needs.
 - (ii) Set up a Private Sector Leasing scheme (PSL) to provide an initial 10 units to use as temporary accommodation (PSL is where the Council leases properties over a longer period from other parties).
 - (iii) Purchase a large unit such as a hotel or care home for the Council to use and manage as guest house type accommodation.
12. Appraisals Abound developed the model using actual purchase prices, costs and rents based on an analysis of properties that met our criteria, across the district in January/February 2018.
13. The Business Plan is modelled over 15 years and shows the income in rent and housing benefit, and outgoings including management, void periods, refurbishment etc over that time.

14. It shows that the Council could reduce costs by £300k per annum by purchasing 20 units within Mid Sussex. In the model and at the purchase prices at that time, the Council would need to use £6.6m in total from its reserves to purchase the units, to provide an overall reduction in costs of £5.7m over 15 years.
15. If the properties are disposed of at the end of the period a capital receipt of c£7.8m would be generated which would finance, ie repay, the initial acquisition costs and the capitalised investment into the units over the life of the business plan. However, the Council would not then have any temporary accommodation and would be in the same position as today. Presently this could not be recommended (although this may change in time) and Members should not therefore assume that the proposed capital expenditure is repaid.
16. If the Council leases 10 PSL properties within Mid Sussex this would produce cost reductions of c£75k per annum when compared to current costs incurred. This option will not incur any capital costs and could be immediately implemented were suitable properties to be identified and agreed. Over a 15 year period it is forecast that the Council could achieve cost reductions of c£1.4m.

Business Case Assumptions

17. Cabinet should note that the business case makes certain assumptions in order to model future cashflows. The most significant are as below:
 - (i) The business case made an assumption that the temporary accommodation would be managed in house by the Council. Costs have been included for so doing.
 - (ii) There were no suitable properties available in Mid Sussex to model option 3 so it is based on the cost of a hotel in Eastbourne which is currently on the market. This assumes an investment of £1.2 million and a total saving over 15 years of £3.5million.
 - (iii) The model assumes that each household accommodated in guest house costs the council £13,600 net per annum (i.e. if we had 30 units this would equate to 408k). Thus for each unit of temporary accommodation that the Council provides, it saves this amount per household per annum, less any management and maintenance costs.
 - (iv) In option 2, PSL, the saving is the differential between costs of rent paid to landlords and the income from rent received by the Council. It assumes 10 PSL units would result in savings based on reduced guesthouse costs of £1.4m over 15 years.
 - (v) In option 1 (purchase 20 units), the plan analyses the costs of purchase/capital investment required, staff resources, running costs, maintenance as well as the rental income and the potential disposal receipt over 15 years. It assumes that the properties will be purchased using capital reserves so no borrowing costs would be incurred.
 - (vi) The capital outlay envisaged by the model assumes £6.6 million from capital reserves with a saving/costs reduction over the 15 year period of £5.7 million based on the assumption that there would be a reduced use of guest house by the same number of units purchased.

Other Options

18. Alternative options not included in the business model include the potential to use Council owned land to build a temporary accommodation scheme which could be undertaken as joint venture with a housing association.

19. Alternatively a suitable site could be purchased for this purpose or an existing property remodelled. The advantage of purpose built accommodation or specifically remodelled accommodation is that this would provide a cluster of units concentrated in one location which would provide economy of scale for management purposes. If the Council were to hold such property in its ownership this could provide the same advantages as Option 1 provided acquisition and development costs provided equivalent value.
20. This is a longer term option which officers will continue to explore and report further to members in due course.
21. Officers will also continue to explore the longer term option of working with a housing association partner to acquire and develop a purpose built scheme but this is likely to take much longer and will not provide a quick solution.

Options in the Appraisals Abound business plan

Option 3 to purchase a hotel/guest house

22. It is not recommended that the Council pursue this option. There were no suitable properties available in Mid Sussex. This option also presents additional risks as the long term value and management and maintenance costs of such a property are financially uncertain.
23. The location of such a property, within another local authority's area, would present challenges. This is an option that can be explored further as a potential joint venture with WSCC and other West Sussex authorities where the capital investment, management and maintenance challenges would be a shared risk. However, initial discussions at the West Sussex Strategic Housing Group have not favoured developing the model.

Option 2 to lease up to 10 properties

24. It is recommended that the Council pursues this option. This would bring temporary accommodation forward in the timeliest manner.
25. It is recommended that up to 10 Private Sector Leased units are taken on if they represent good value and are suitably located. Potentially this option could be used to bring empty properties back into use.

Option 1 to purchase up to 20 properties

26. It is recommended that the Council pursues this option. The advantage of Option 1 is that subject to approval officers can immediately proceed with the purchase of units for temporary accommodation. This will have a positive impact on the temporary accommodation budget. This option also provides a long term investment opportunity for the Council.

Making the Business Plan a Reality

Funding

27. At the Cabinet meeting of 8th May 2018, an initial budget of £4 million for 2018/19 was identified from reserves to be used for the purpose of acquiring temporary accommodation.

28. Whilst the business plan made assumptions on the cost of purchasing units, the current property market may provide opportunities to purchase these under the assumed price. The contraction in the buy to let market may have had a bearing on this. Obviously this would be a beneficial factor when reviewing the business plan performance in the future and should mean that the full capital funding set out in the plan would not be needed.
29. If additional resources are required, officers will report the details of this to members and seek approval for such resources should this prove necessary for the successful delivery of the business plan.

Management

30. Cabinet will appreciate that it is absolutely crucial for the efficient and effective implementation of these proposals that the correct staffing resources are in place.
31. The Council has consulted with neighbouring authorities and Housing Association Partners in order to evaluate out sourcing the management of the temporary accommodation. The conclusion of this consultation is that Local Authorities prefer to retain the management in-house to maintain control over the units. In addition there is little appetite from Housing Associations currently to take on the management of temporary accommodation units.
32. An internal Temporary Accommodation Project Group has been set up to deliver the project. The business plan allows for the associated expenditure involved in the acquisition, management and maintenance costs of acquiring the portfolio of properties to be absorbed and funded through the overall savings on temporary accommodation spend.
33. The business plan demonstrates that two new posts within Housing Services can be funded over the course of the plan period though the savings achieved. These are the new post of Temporary Accommodation Management Officer who will manage both the council owned and Private Sector Leased properties and the Temporary Accommodation Homelessness Prevention Officer who is already employed on a temporary contract. This role supports those in temporary accommodation to ensure that vulnerable households receive the support that they need to manage their housing. They also ensure that Housing Benefit is in payment and contributions are collected where applicable to facilitate the move from temporary accommodation into more permanent suitable accommodation as soon as possible.
34. Given there is a time lag between the plan being fully implemented (ie properties purchased and let), the costs of these two posts can initially be funded on an interim basis from Flexible Homelessness Support Grant (FHSG).
35. The Government has provided 'New Burdens' funding to mitigate the impact of the implementation of the Homelessness Reduction Act. In addition Flexible Homelessness Support Grant has been provided to Local Authorities partly to alleviate the financial pressures on temporary accommodation. The funding is provided to assist with the implementation of the new legislation and to enable the council to have additional financial resources available to prevent and relieve homelessness. The funding is ring fenced for this purpose.
36. These posts would then be added to the establishment in the usual way.

Consideration of the report by Scrutiny Committee for Community, Housing and Planning

37. A report was presented to the Scrutiny Committee for Community, Housing and Planning at the meeting on 27th June 2018. Members were unanimously supportive of the recommendation to Cabinet.
38. Members commented on the importance of having staff in place to provide good management of the properties and the tenants. They also commented on the importance of this initiative in providing a good service to homeless people, who currently have to be placed out of the District, away from support systems, schools, employment etc.
39. Scrutiny Members raised concerns about the £4 million reserve when the Appraisals Abound Business Plan identifies an investment of £6.6 million. Members were advised that the £4 million is an initial sum and the business case is indicative only, therefore the benefits are scalable. Members were further advised that if additional resources are required and necessary in future to achieve the aims of the business plan then officers will seek approval for additional resources to be provided.

Financial Implications

40. Once fully implemented, it is expected that the direct provision of TA will reduce the net cost to the Council to £35k from £408k. This represents a saving of £373k on an annual basis in year 1. This is based on the assumption that all 30 units are utilised. If the demand is less then the savings will reduce accordingly. If 20 units are utilised, than the first year saving would be in the region of £250k.
41. Cabinet will appreciate that this is not guaranteed, and that there are a variety of factors that may affect the actual saving. This will be closely monitored both as part of the implementation and at the annual review

Other Material considerations

42. There are risks associated with the provision and management of temporary accommodation include rent arrears, anti-social behaviour, neighbour complaints, damage to property and unoccupied/void periods when there is a loss of rental income and also reputational risks. There are also risks involved in the legal process to gain possession of the properties when the duty to the household under the homelessness legislation has come to an end.
43. These risks will be mitigated by the effective and robust housing management and effective legal processes which will be put in place. It is considered that these are risks that can be managed and mitigated and they are considered to be outweighed by the benefits set out in the report.

Appendices

- Appendix 1 – Background context
- Appendix 2 – Summarised report – Appraisals Abound

Background Papers

Appraisals Abound Homelessness Business Plan Full Report – June 2018

Appendix 1

Contextual Background Paper on Temporary Accommodation

Summary

1. This paper provides contextual information to enable members to make an informed decision about investing an initial £4 m from reserves in acquiring and leasing accommodation to provide temporary accommodation. This investment will enable a significant reduction in the placement of homeless families and vulnerable individuals in guest houses (Bed and Breakfast type accommodation) outside of the district and will also over time significantly reduce the costs to the guest house budget.
2. Information is provided on the Council's current spend on temporary accommodation for those to whom we have duties under the Homelessness Legislation. It sets out the national and local pressures on temporary accommodation budgets as well as the additional pressures that arise from the implementation of the Homelessness Reduction Act 2017 and the impact of welfare reform.
3. If the Council owns and leases its own temporary accommodation in the district then the negative impact of homelessness on families and individuals can be reduced.

Current provision of Temporary Accommodation in Mid Sussex

4. Guest houses used by the Council for placing homeless households are out of the area, commonly in Brighton and Hove, Worthing, Crawley, Horley and Eastbourne as there is no guest house provision within Mid Sussex. This adds to the stress and difficulty experienced by households who have already undergone the traumatic experience of losing their homes.
5. Providing temporary accommodation in the district will enable homeless families to maintain their support networks and to continue to access their current schools and places of work. This should mean that the well-being of these households is not unduly impacted by the location and standard of their temporary accommodation.
6. Many single person households to whom the Council has a duty are vulnerable because they have mental health needs or other disabilities and placing them away from their GP and other health care and support services can undermine their treatment and recovery. The Council will be better able to address the needs of households, particularly larger families and people with significant physical disabilities who require adapted accommodation.
7. The Council currently has access to 19 units of temporary accommodation within the District provided by Clarion and up to 14 units with other supported housing providers but this is not sufficient to meet the need. In addition the Council is usually unable to place households who are "pending enquiries" into their homelessness application because providers are not willing to incur the costs involved in taking possession action in the event that the duty to provide temporary accommodation ends. This is a risk that the council will also take on when such a situation arises in MSDC owned temporary accommodation. This risk will be appropriately managed and is considered to not outweigh the advantages of providing in house temporary accommodation.

National Temporary Accommodation Pressures

8. Local housing authorities in England have a duty to secure accommodation for unintentionally homeless households in priority need under Part 7 of the *Housing Act 1996* (as amended) and now under the Homelessness Reduction Act 2017. Households may be placed in temporary accommodation pending the completion of inquiries into an application, or they may spend time waiting in temporary accommodation after an application is accepted until suitable secure accommodation becomes available.
9. The most recent national official statistics, published on 22 March 2018, recorded 78,930 households nationally in temporary accommodation at the end of December 2017. The households include 120,510 children, representing a 75% increase since 2010. Of these households, 54,370 (69%) were placed in temporary accommodation in London. The number of families with dependent children placed in bed and breakfast (B&B) style accommodation increased from 740 at the end of June 2010 to 2,030 at the end of December 2017.
10. There was a 201% increase in the number of households placed in temporary accommodation outside their local authority area between December 2011 and December 2017.
11. Three-quarters of this spending – £638 million – was funded by housing benefit, of which £585 million was recovered from the Department for Work & Pensions.
12. Spending on temporary accommodation has increased by 39% in real terms since 2010/11.
13. The National Audit Office (NAO) published a report on Homelessness in September 2017 in which it observed that of the £1.1bn spent by English local authorities in 2015/16, £845 million was spent on temporary accommodation.
14. The Public Accounts Committee's (PAC) December 2017 report, Homeless Households, observed that temporary accommodation is "often of a poor standard and does not offer value for money". The Committee recommended: The Department should take steps to eliminate the use of non-decent temporary accommodation and to enable local authorities to replace this supply with local alternatives that offer better value for money.

Source: researchbriefings.parliament.uk/ResearchBriefing/Summary/SN02110

Temporary accommodation pressures in Mid Sussex

15. The information above illustrates that the pressures on temporary accommodation spend in Mid Sussex are a reflection of national trends. At the 1st June 2018 there were 46 households in temporary accommodation 21 of whom were in guest houses located outside of Mid Sussex. There were 19 children in the families that were accommodated in guest houses.
16. The pressure on the Council's temporary accommodation budget continues to increase. This is a demand led budget and is subject to the number of people applying for assistance.

17. Table A shows the number of households and average number of days in guest house accommodation for the past three financial years. It illustrates the increase in placements and the increase in the length of time that households have been accommodated. It also reflects the fact that over the three year period guest house nightly costs have increased.
18. Self-contained accommodation is usually secured for households with children. The Homelessness (Suitability of Accommodation) (England) Order 2003 requires that households with family commitments should not be placed in 'B&B accommodation' for longer than 6 weeks, B&B accommodation means accommodation which is not separate and self-contained premises, such as accommodation which requires amenities to be shared.
19. The Council seeks to ensure that such households are placed in self-contained accommodation. Typical gross costs for a shared accommodation unit are £40.00 to £50.00 per night whilst self-contained units are typically £55.00 to £70.00 per night. The gross costs are reduced by the households own contributions towards their accommodation and by any Housing Benefits entitlement paid to the Council. These costs are not within our control as there is competition between authorities for the available accommodation and the providers can charge accordingly.

Table A

Year	Type of accommodation	Total Households placed in guest house	Net spend on Temporary Accommodation
2015/16	Shared	49	£130,769
	Self- Contained	32	
2016/17	Shared	65	£254,069
	Self-contained	39	
2017/18	Shared	55	£346,346
	Self-contained	45	

20. Table B below shows, where provided, Councils spend on temporary accommodation across West Sussex over the last three years. Spending in Crawley and Horsham has reduced due partly due to the expansion of their temporary accommodation portfolios in their own stock and also new housing association temporary accommodation supply in Crawley's case. In Horsham they took ownership of 17 new temporary accommodation units in 2017/2018 and attribute the reduction in spend this year almost entirely to the provision of these units.

Table B

Net spend	Adur	Arun	Chichester	Crawley	Horsham	Mid Sussex	Worthing
2015/2016		£223,409		£695,922	£133,762	£130,769	
2016/2017	Not available	£343,622	Not Available	£777,050	£253,125	£254,070	Not available
2017/2018	Not available	£481,459	Not available	£262,696	£176,762	£346,346	Not available

Financial Pressures

21. The cost of placements is increasing year on year and this has been exacerbated by the removal of Temporary Accommodation Management Fee (TAMF), which came into effect on 1 April 2017. This subsidy was paid to assist local authorities with the costs of temporary accommodation. The TAMF subsidy provided £60.00 per household in temporary accommodation per week. A further pressure is caused by the fact that the amount of overall Housing Benefit payable for households in temporary accommodation has been frozen since January 2011 whereas guest house charges have increased.
22. To replace TAMF the government has provided specific funding, Flexible Homelessness Support Grant (FHSG). In addition the Government has provided 'New Burdens' funding to mitigate the impact of the implementation of the Homelessness Reduction Act. The funding is provided to assist with the implementation of the new legislation and to enable the Council to have additional financial resources available to prevent and relieve homelessness. The funding is ring fenced for this purpose. Table C below sets out the total amount of funding to be provided to this Council.

Table C

Year	Amount FHSG	Amount HRA New Burdens
2017/2018	£192,927	£28,675
2018/2019	£221,981	£26,266
2019/2020	£280,925	£27,765
Total over 3 years.	£695,833	£82,707

23. This funding has been utilised to date as follows:-
- (i) To provide two temporary posts in the Housing Needs Team on 2 year contracts the Temporary Accommodation and Homelessness Prevention Officer and the Housing Services Assistant, to compensate our temporary accommodation providers in the district for the loss of the Housing Benefit subsidy
 - (ii) For individual one off intervention payments/loans to families to prevent homelessness.
 - (iii) In future this funding will be utilised for these purposes as well as other new initiatives to prevent homelessness such as to fund additional support services provided by external agencies to prevent homelessness and support those who are homeless.
24. The Flexible Homelessness Support Grant and New Burdens funding does not provide sufficient resources to offset the ongoing costs of providing temporary accommodation. The TAMF was paid per household accommodated per week and thus reflected actual costs. The FHSG is one off grant funding made available for three financial years and there is no certainty that it will be made available thereafter.

Future Pressures

25. Officers anticipate that if the Council continues to rely on guest house accommodation to meet the Council's temporary accommodation needs then spending on temporary accommodation will continue to increase. The reasons for this are:
- A lack of secure affordable housing to meet the needs of households in the district means that individuals and families will continue to seek assistance from the Council when they have no alternative means of securing housing
 - Buying a property in the district is out of reach for most households. Average mean annual earnings in 2017 in Mid Sussex were £32,812. The ratio of house prices to income in Mid Sussex according to Home Truths (National Housing Federation) 2017/2018 is 12.4 and the average income required for an 80% mortgage is £92,854.
 - Last year there was a shortfall in our new build affordable housing delivery and our overall delivery of new homes in the district. We delivered 97 new affordable units in 2017/18 and have a target of 90 new units for 2018/19. There are 1116 affordable homes with outline planning permission in the pipeline however these are largely on section 106 sites where delivery is dependent on developers and the housing market and consequently beyond officers' control. On the positive side there are 386 affordable units on site which have yet to be delivered.
 - Private rents have increased substantially since 2011 and are expected to continue rising. This means that the majority of private rented housing in the district is not affordable to households on low incomes who are reliant on assistance from the benefits system to pay their rents.

Welfare Reform

26. The Local Housing Allowance rates which apply to the amount of assistance households can receive to assist in paying their rent have been frozen for 4 years from 2016. In April 2018 there was a modest 3% increase on the LHA cap for properties in the Mid Sussex area but this is not generally sufficient to bridge the gap between actual private rents and the amount of assistance that households can receive.
27. Universal Credit (UC) is being fully rolled out in Mid Sussex from June 2018. In areas where UC is already in place there has been an increase in rent arrears in both the private and public sectors leading more households to apply for assistance because they are threatened with homelessness. Universal Credit makes claimants fully responsible for managing their finances and the housing costs element of their universal credit can no longer in most instances be paid direct to the landlord. The transition to this new system can prove very challenging for those managing on low incomes.

The Homelessness Reduction Act 2017 (HRA)

28. The HRA is a major legislative change that significantly expands the duties and responsibilities of the Council to households who are or are potentially homeless. The key implications are as follows:
 - New duties imposed by the Homelessness Reduction Act 2017 (HRA) which came into force on 1 April 2018 are expected to increase expenditure on temporary accommodation
 - There is a new Duty to Prevent Homelessness owed to all households who are threatened with homelessness within 56 days (an extension from the previous 28 days) provided they are eligible, regardless of whether they have a priority need, local connection or are intentionally homeless. This means that there is a duty for the Housing Needs Team to actively work with people for a longer period and to take homelessness applications at an earlier stage.
 - There is also a new Duty to Relieve Homelessness for all eligible households who are homeless. This duty is also owed for 56 days. In such cases there may be a requirement to provide temporary accommodation for the 56 days that the Relief Duty is owed, if the household is in priority need, regardless of whether they are intentionally homeless. It is only once this duty has come to an end on day 57 that the Council can make a decision on whether the applicant is intentionally homeless. Thereafter there will still be a need to provide temporary accommodation for a reasonable period, usually considered to be at least 28 days. This means that such households will have to be provided with temporary accommodation for longer than was previously the case.
 - An additional new Duty to Refer is placed on various public bodies. This comes into effect in October 2018 and requires them to notify the Council if they believe a person is homeless or threatened with homelessness.

29. It is anticipated that the numbers approaching the Council will increase as the new duties are met. Housing Consultants, have evaluated the data and concluded that in Wales (where similar legislation came into force on 27 April 2015) has seen a 26% increase in homeless applications since April 2015. It is projected that applications could rise by up to 50% in England. The London Borough of Southwark is a prominent trail-blazer authority that enacted the majority of the Act during 2017. They have experienced a 29% increase in applications.
30. It is difficult to predict with accuracy what the impact of the HRA and the other aspects of welfare reform will have on the temporary accommodation budget.
31. Despite the fact that the number of applications for the past financial year (2017/18) was slightly lower than for the previous year, net spend on temporary accommodation increased by £92,277. See Table A above. This is due to households spending longer in temporary accommodation for the reasons outlined above as well as the removal of Temporary Accommodation Management Fee. Therefore, even without the impact of the Homelessness Reduction Act, it is anticipated that net spend for the coming year is likely to increase.
32. Table D below provides an indication of these increases. The calculations below projects the potential increase in spend if the number of applications increased based on the temporary accommodation spend for 2017/18 which was £346,346 (net).

Table D

Assumed spend for 2018-2019 Homelessness applications increase by	Resulting anticipated net temporary accommodation spend
An increase of 5%	£363,663
An increase of 10%	££380,980
An increase of 26%	£436,396

33. The Housing Needs Team is already experiencing an increase in their work as a result of meeting the new HRA duties.
34. The HRA has also brought in additional rights for applicants to have decisions made in respect of their homelessness applications reviewed. This will necessitate additional work and during these review periods, officers may have to extend the provision of temporary accommodation for the household challenging the decision.

Other temporary accommodation considerations

35. The Committee needs to be aware that it will not be possible to completely eradicate the use of guest houses. The Housing Needs Service will still need to resort to guest house placements in emergencies whilst initial inquiries into a homelessness application are made and when the council's temporary accommodation is fully occupied. However these placements should be of significantly shorter duration and costs will be minimised as households will be moved on into Mid Sussex's temporary accommodation provision as quickly as possible.

Appraisals Abound: Temporary Accommodation Options Business Plan

Mid Sussex District Council – Summarised Results June 2018

The summarised Business Plan shows that the Council could make substantial cost reductions by purchasing and leasing properties over the projected 15 year period in comparison to current and assumed future costs incurred in housing homeless households in guest house accommodation.

The Business Plan is based on the Council using c£6.5m of its reserves to acquire 20 units which would produce an overall reduction in running costs of c £5.7m over 15 years. The disposal receipts from the units would generate a capital receipt of c7.8 m which would finance the initial acquisition costs and the capitalised investment into the units over the life of the business plan. The Council could decide to retain the units depending on the demand for temporary accommodation at that point or if it chooses to dispose it could dispose to one of the Housing Associations who provide affordable housing in the district and thus use the units to continue to meet housing need in the district going forward.

By leasing 10 units the Council would achieve cost reductions of c75k per annum when compared with current costs incurred. Over the 15 years of the plan it is forecast that the Council could achieve cost reductions of c£1.4m through the leasing scheme.

1. Acquiring Properties

The summarised Business Plan shows that the Council could make substantial cost reductions in comparison to current costs incurred in housing homeless households in guest house accommodation.

Assumptions

The 15-year Business Plan provides for the acquisition of 20 units which would replace the current use of guest houses as temporary accommodation.

Summary Results

- Initial Investment of £6.6m required to purchase 20 properties, including on-costs associated with purchase
 - Purchase price - £5.7m
 - On costs - £0.9m - Stamp Duty Land Tax at enhanced rates, refurb and fitout, associated fees
- Purchase financed from existing funds and therefore no borrowing costs modelled
- Rental levels modelled at 90% of 2011 Local Housing Allowance rates, running costs at c84% of income in year 1
- Total saving/cost reduction of £5.7m over 15 years identified from reduced running costs

Overall BP Results

15 Year Business Plan			
	Cash	NPV	
	£'000	£'000	
Acquisition costs	(6,553)	(6,553)	
Revenue	2,341	1,797	
Running Costs	(2,281)	(1,732)	
Capitalised Investment	(1,086)	(760)	
Income from Disposal	7,829	4,673	
	249	(2,575)	
Minimum Revenue Provision			
Interest			
Net performance of Business Plan	249	(2,575)	
Reduction in Current Costs	5,446	4,078	
NPV with cost savings	5,696	1,503	
Please note a positive figures indicates a viable business plan			
Discount rate used		3.50%	

Summarised Results over 15 Years

Mid Sussex District Council - Property Acquisition Model - Effect on General Fund							
Year	From Properties Acquired				Total £'000	Reduction in Current Costs £'000	Total Cost reductions £'000
	Income from Activities £'000	Running Costs £'000	Interest on Loan £'000	MRP Allowance £'000			
0							-
1	156	(131)	-		25	272	297
2	156	(138)	-		18	283	301
3	156	(140)	-		16	294	310
4	156	(142)	-		14	306	320
5	156	(145)	-		11	318	330
6	156	(147)	-		9	331	340
7	156	(149)	-		7	344	351
8	156	(152)	-		4	358	362
9	156	(154)	-		2	372	374
10	156	(157)	-		(1)	387	386
11	156	(160)	-		(4)	403	399
12	156	(162)	-		(6)	419	412
13	156	(165)	-		(9)	435	426
14	156	(168)	-		(12)	453	441
15	156	(171)	-		(15)	471	456
Total	2,341	(2,281)	-	-	60	5,446	5,506

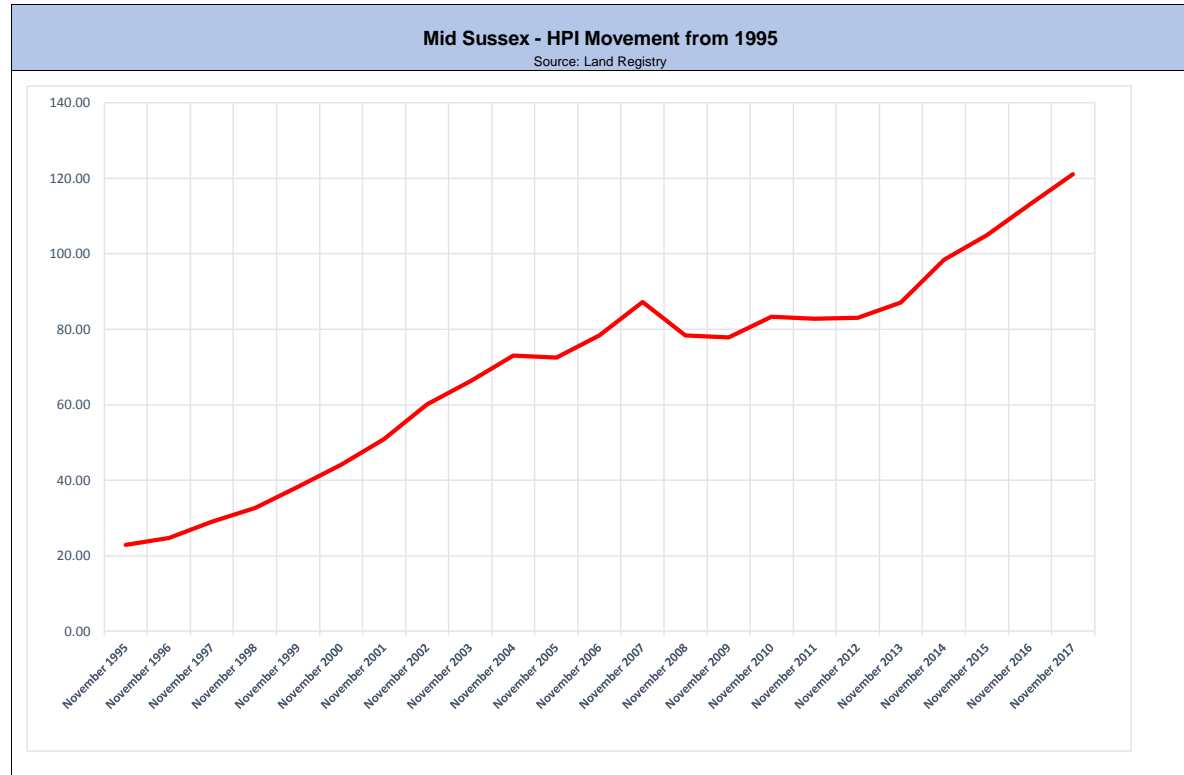
Split of Running Costs

Breakdown of Running Costs					
Year	Voids	Management	Maintenance	Service Charges	Total
	£	£	£	£	£
1	(20,803)	(67,000)	(30,000)	(13,500)	(131,303)
2	(24,970)	(68,340)	(30,600)	(13,770)	(137,680)
3	(24,970)	(69,707)	(31,212)	(14,045)	(139,934)
4	(24,970)	(71,101)	(31,836)	(14,326)	(142,233)
5	(24,970)	(72,523)	(32,473)	(14,613)	(144,579)
6	(24,970)	(73,973)	(33,122)	(14,905)	(146,971)
7	(24,970)	(75,453)	(33,785)	(15,203)	(149,411)
8	(24,970)	(76,962)	(34,461)	(15,507)	(151,900)
9	(24,970)	(78,501)	(35,150)	(15,817)	(154,438)
10	(24,970)	(80,071)	(35,853)	(16,134)	(157,028)
11	(24,970)	(81,673)	(36,570)	(16,456)	(159,669)
12	(24,970)	(83,306)	(37,301)	(16,786)	(162,363)
13	(24,970)	(84,972)	(38,047)	(17,121)	(165,111)
14	(24,970)	(86,672)	(38,808)	(17,464)	(167,914)
15	(24,970)	(88,405)	(39,584)	(17,813)	(170,772)
	(370,383)	(1,158,659)	(518,803)	(233,461)	(2,281,306)

House Price Inflation in Mid Sussex

The table below shows the average house price inflation since 1995 (source: Land Registry)

Mid Sussex - HPI Movement from 1995			
Source: Land Registry			
Year	Index	Annual Movement %age	Cumulative Movement %age
November 1995	22.90		
November 1996	24.67	7.73%	7.73%
November 1997	28.99	17.51%	26.59%
November 1998	32.70	12.80%	42.79%
November 1999	38.27	17.03%	67.12%
November 2000	44.10	15.23%	92.58%
November 2001	50.85	15.31%	122.05%
November 2002	60.10	18.19%	162.45%
November 2003	66.26	10.25%	189.34%
November 2004	73.07	10.28%	219.08%
November 2005	72.48	-0.81%	216.51%
November 2006	78.38	8.14%	242.27%
November 2007	87.21	11.27%	280.83%
November 2008	78.36	-10.15%	242.18%
November 2009	77.79	-0.73%	239.69%
November 2010	83.26	7.03%	263.58%
November 2011	82.74	-0.62%	261.31%
November 2012	83.07	0.40%	262.75%
November 2013	87.12	4.88%	280.44%
November 2014	98.35	12.89%	329.48%
November 2015	104.92	6.68%	358.17%
November 2016	113.11	7.81%	393.93%
November 2017	121.10	7.06%	428.82%
Net change over past year			7.06%
Net change over 5 years			45.78%
Net change over 10 years			38.86%
Average annual HPI compounded from 1995			7.86%



Mid Sussex HPI and Ranking to Sussex Councils		
Source: Land Registry		
Description	%age	Position
Average annual HPI over 22 years	7.86%	7
Average annual HPI over 10 years	3.34%	3
Average annual HPI over 5 years	7.83%	7
HPI over last 12 months	7.06%	6
HPI over last 6 months	7.52%	4

Other Considerations

The following paragraphs highlight other considerations that the Council may wish to consider if it wishes to implement the business plan.

Specification of Properties

It is imperative that the Council decides upon the specification and quality of unit it wishes to purchase before embarking upon the purchase of them. This will avoid unnecessary work and potential abortive costs in relation to investigating properties. It will also provide direction to the acquisition team to ensure that the correct units are purchased.

Particular attention should be paid when looking at purchasing flats, especially in relation to the lease terms and future major repairs that are planned for the block that they are in.

Acquisition of Properties

Whilst the Council needs to ensure that it adheres to its procurement rules it needs to create a streamlined approach in order for properties to be purchased as quickly as possible. It may possibly need to appoint the following consultants to carry out the acquisition due diligence

- A project manager to manage the process (this could be an internal resource)
- Solicitors for conveyancing purposes
- Valuation advice and property surveys
- Incentivise local Estate Agents to ensure that the Council receives forward notification of available properties

Management Arrangements

The Council need to consider the management arrangements in relation to the option(s) it decides to pursue. It is possible to split the management arrangements between housing management and property management.

The Council may consider to carry out the housing management internally whilst externalising the property management and utilise its arrangements with its existing property management provider.

The business plan that has been created assumes that the Council will carry out the management of the units purchased internally and the Council has provided the costs of employing two members of staff to provide this service.

It is possible that if the Council combines the use of PSL properties together with the acquisition of units that there will be some management costs savings as these members of staff may be able to carry out both areas of activity and therefore savings will accrue as the initial costs are contained within the acquisition of units business plan.

2. Private Sector Leasing Results

Assumptions

10 properties leased/rented from private sector at 85% of market rent

Business Plan run for 15 years

Replace use of current guest house

Results

£1.4m of savings/cost reductions identified over 15 years

Table of Assumptions

Mid Sussex District Council - PSL Leasing Model						
Description	1 bed flat	2 bed flat	2 bed house	3 bed house	4 bed house	Total
Unit Numbers and Rents Paid to Landlord						
Number of Units	4	0	4	1	1	10
Full Market Rent (Monthly)	£800	£900	£1,100	£1,300	£1,500	£10,400
Discount Received	15%	15%	15%	15%	15%	
Net Rent to be paid	£680	£765	£935	£1,105	£1,275	£8,840
Other Annual Costs to MSDC						
Management Costs	£2,000	£2,000	£2,000	£2,000	£2,000	£20,000
Maintenance Allowance	£500	£500	£500	£500	£500	£5,000
Council Tax						£0
Utility Bills						£0
Service Charges & Ground Rent						£0
Spare						£0
Spare						£0
Spare						£0
Spare						£0
Spare						£0
Totals	£2,500	£2,500	£2,500	£2,500	£2,500	£25,000
Initial Furnishing Cost of Units						
Do you want to model this?	No	No	No	No	No	
Initial budget for furnishing unit	£5,000	£6,000	£6,000	£7,000	£8,000	
Replacement Every XX years	3	3	3	3	3	
MANUAL ADJUSTMENT REQUIRED IN COLUMN AT ONCE REPLACEMENT PERIOD HAS BEEN SET						
Income to MSDC						
Rental Income - Based on 2011 LHA Rates	£540	£697	£697	£855	£1,305	7,110
Income from Resident						0
Other Income						0
Other Income						0
Other Income						0
Totals	£540	£697	£697	£855	£1,305	£7,110
Other Business Plan Assumptions						
Description	Amount					
Length of Business Plan in Years	15					
Discount Rate to model	3.50%					
Average Current HB Loss (Annual figure)	£13,600					
Annual Void and Bad Debt Allowance	16.00%					
Annual Rent Cost Inflation	3.00%					
Annual Inflation - Other Costs	2.00%					
Annual Rent Income Inflation	0.00%					
Forecast Annual Income in HB Loss	4.00%					
Spare						
Spare						
Spare						
Spare						
Spare						

Summarised Results

Mid Sussex District Council - PSL Business Plan Results											
Income and Expenditure within General Fund											
Year	Rent Income	Other Income	Voids	Rent Payments	Mgmt	Mtnce	Other	Furnishing	Annual Surplus / (Deficit)	Reduced Costs from Current Position	Net Savings / (Costs)
	£	£	£	£	£	£	£	£	£	£	£
1	85,315	0	(13,650)	(106,080)	(20,000)	(5,000)	0	0	(59,416)	136,000	76,584
2	85,315	0	(13,650)	(109,262)	(20,400)	(5,100)	0	0	(63,098)	141,440	78,342
3	85,315	0	(13,650)	(112,540)	(20,808)	(5,202)	0	0	(66,886)	147,098	80,212
4	85,315	0	(13,650)	(115,916)	(21,224)	(5,306)	0	0	(70,782)	152,982	82,199
5	85,315	0	(13,650)	(119,394)	(21,649)	(5,412)	0	0	(74,791)	159,101	84,310
6	85,315	0	(13,650)	(122,976)	(22,082)	(5,520)	0	0	(78,914)	165,465	86,551
7	85,315	0	(13,650)	(126,665)	(22,523)	(5,631)	0	0	(83,155)	172,083	88,928
8	85,315	0	(13,650)	(130,465)	(22,974)	(5,743)	0	0	(87,518)	178,967	91,449
9	85,315	0	(13,650)	(134,379)	(23,433)	(5,858)	0	0	(92,006)	186,125	94,119
10	85,315	0	(13,650)	(138,410)	(23,902)	(5,975)	0	0	(96,623)	193,570	96,947
11	85,315	0	(13,650)	(142,563)	(24,380)	(6,095)	0	0	(101,373)	201,313	99,940
12	85,315	0	(13,650)	(146,840)	(24,867)	(6,217)	0	0	(106,260)	209,366	103,106
13	85,315	0	(13,650)	(151,245)	(25,365)	(6,341)	0	0	(111,287)	217,740	106,454
14	85,315	0	(13,650)	(155,782)	(25,872)	(6,468)	0	0	(116,458)	226,450	109,992
15	85,315	0	(13,650)	(160,456)	(26,390)	(6,597)	0	0	(121,778)	235,508	113,730
16	0	0	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0
19	0	0	0	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0	0	0	0
21	0	0	0	0	0	0	0	0	0	0	0
22	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0	0	0	0	0
27	0	0	0	0	0	0	0	0	0	0	0
28	0	0	0	0	0	0	0	0	0	0	0
29	0	0	0	0	0	0	0	0	0	0	0
30	0	0	0	0	0	0	0	0	0	0	0
Total	1,279,718	0	(204,755)	(1,972,973)	(345,868)	(86,467)	0	0	(1,330,345)	2,723,208	1,392,863
NPV	982,602	0	(157,216)	(1,486,475)	(262,218)	(65,555)	0	0	(988,862)	2,039,083	1,050,221

Overall savings

The table demonstrates the possible reduction in costs to the Council if it acquires 20 units and leases 10 private sector leased properties (PSL). These figures will change throughout the life of the business plan and will be driven

by the demand for properties. The reduction in guest house costs will be driven by reduction in the number of households that we have to place in guest houses. The surplus from disposal is a projected figure taking into account the money that has been spent on the maintenance and management of the properties over the 15 year period of the business plan.

Comparison of Performance to Current Costs					
Year	Annual Surplus / Loss i.e. Income less Running Costs		Cost reduction in NOT using B&B accommodation		Annual Reduction in Costs
	20 Acquired Units	10 PSL Units	20 Acquired Units	10 PSL Units	
	£'000	£'000	£'000	£'000	£'000
Year 1	25	(59)	272	136	373
Year 2	18	(63)	283	141	380
Year 3	16	(67)	294	147	391
Year 4	14	(71)	306	153	402
Year 5	11	(75)	318	159	414
Year 6	9	(79)	331	165	427
Year 7	7	(83)	344	172	440
Year 8	4	(88)	358	179	454
Year 9	2	(92)	372	186	468
Year 10	(1)	(97)	387	194	483
Year 11	(4)	(101)	403	201	499
Year 12	(6)	(106)	419	209	516
Year 13	(9)	(111)	435	218	533
Year 14	(12)	(116)	453	226	551
Year 15	(15)	(122)	471	236	570
Total after Year 15	60	(1,330)	5,446	2,723	6,899
Surplus from Disposal of Units at end of Year 15					190
Total reduction in costs					7,089

Other Options

This section of the report considers other options that the Council may wish to investigate.

Purchasing void units from other Councils/RPs

This option is a variant on purchasing individual properties on the market, however the Council may be able to purchase the units in bulk and receive a discount on the original purchase price.

The success of this proposal will be driven by the number, location and state of repair of the units within Mid Sussex.

Purchasing Blocks of Existing Flats

Whilst this option is likely to be financially viable, these blocks are normally occupied and therefore the Council is likely to receive negative publicity as in effect they are making people homeless to house the homeless.

Purchasing off plan units in a new build development

This option maybe viable, however it is likely that the original purchase price will be greater than buying existing properties. There is also likely to be a lead in time of c18 to 24 months before the properties become available.

This option may work financially if the Council purchased a block of flats from the development.

Purpose Built Accommodation

The Council could consider purchasing an existing piece of land or utilise some of its land holding to create a purpose-built hostel. Whilst this may work financially, the lead in time is likely to be between 2 and 4 years and therefore is more of a long-term solution.