

Public Document Pack

JOHN WARD

Director of Corporate Services

Contact: Graham Thrussell on 01243 534653

Email: gthrussell@chichester.gov.uk

East Pallant House

1 East Pallant

Chichester

West Sussex

PO19 1TY

Tel: 01243 785166

www.chichester.gov.uk



A meeting of the **Cabinet** will be held in Committee Room 2 at East Pallant House East Pallant Chichester West Sussex on **Tuesday 5 February 2019 at 09:30**

MEMBERS: Mr A Dignum (Chairman), Mrs E Lintill (Vice-Chairman), Mr R Barrow, Mr J Connor, Mrs J Kilby, Mrs S Taylor and Mr P Wilding

AGENDA SUPPLEMENT

This agenda supplement contains the appendices to the reports for agenda items 5, 6, 7, 8, 10 and 11

5 **Budget Spending Plans 2019-2020** (pages 1 to 57)

(1) Appendix 1 - Draft Budget Spending Plan 2019-2020 incorporating appendices 1a to 1d:

- Appendix 1a - Draft Summarised Income and Expenditure Account
- Appendix 1b - Analysis of major budget variations
- Appendix 1c - Capital and Projects Programme 2019-20 to 2023-2024
- Appendix 1d - Asset Replacement Forecast 2019-20 to 2023-2024

(2) Appendix 2 - Capital Programme Resource Statement

(3) Appendix 3 – Reserves Statement

(4) Appendix 4 – Capital Prudential Indicators and MRP Policy

6 **City Centre Upgrade of CCTV** (pages 59 to 65)

Appendix - Project Initiation Document version 2: Replacement of 11 Outdated City Centre CCTV cameras and reinstatement of two cameras in Avenue De Chartres

- 7 **Draft Treasury Management Strategy 2019-2020** (pages 67 to 124)
- (1) Appendix 1 – Summary of amendments between 2018-2019 and 2019-2020
 - (2) Appendix 2 - Treasury Management Policy Statement, Treasury Management Strategy Statement, Treasury Prudential Indicators and Annual Investment Strategy for 2019-2020
 - (3) Appendix 3 – Draft capital Strategy 2019-2020 to 2023-2024
 - (4) Appendix 4 – Treasury Management Practices (TMPs) Extract of TMP 1 Risk Management
 - (5) Appendix 5 – Treasury Management Glossary
 - (6) Appendix 6 – Impact of the European Union (Withdrawal) Act 2018
- 8 **Authority's Monitoring Report 2017-2018** (pages 125 to 205)
- Appendix - Chichester District Council Authority's Monitoring Report 2017-2018
- 10 **Novium Business Plan Update** (pages 207 to 246)
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Chichester District Council



Budget Spending Plan 2019-20

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INTRODUCTION

This document contains details of the Council's revenue and capital budget spending plans for the financial year 2019-20. The spending plans are formulated in accordance with the financial principles of the Financial Strategy as adopted by Council that results in a robust financial estimate of the resources needed to deliver Council Services in 2019-20.

The Council has a statutory duty to prepare a balanced annual revenue budget. It is also good financial management to do so within the context of the five year Financial Strategy taking into account the impact of the capital programme on the revenue budget.

The five year Financial Strategy contains the key financial principles to be followed for making financial decisions over the next few years; aiding the management of the Council's finances in anticipation of the major changes in future government funding from 2020-21, and the expectation of diminishing resources.

In 2016, the Council took up the government's multi-year funding offer that ensured it would receive the allocations published as part of the 2016-17 local government finance settlement over the following three years. 2019-20 is the last year of this agreement.

Council Spending – Revenue Budget

The Council's revenue budget requirement for 2019-20 is £13.830m (£11.652m excluding NHB). This represents a spending increase of 6.2% (or a 8.8% increase when excluding the NHB) over the base budget for 2018-19.

The budget requirement is calculated after deducting income from fees and charges. It has to be financed from Council Tax, Retained Business Rates and other Government Grants.

The proactive financial management of the council's medium term financial position, efficiencies made during the year, and progress with the deficit reduction programme, have placed the Council in the position of once again being able to balance the forthcoming financial year's budget. This is another major step towards the objective of securing the Council's financial stability over the medium term.

The revenue budget for 2019-20 is shown in the summarised Comprehensive Income and Expenditure statement. This summary provides the net cost of each Cabinet portfolio and also for the main services within each portfolio area.

The detailed budget preparation allows for some variations between budget centres which, when aggregated for the whole of the General Fund, have a neutral effect. These adjustments include:

- Approved virements between or within service budgets. The detailed estimates include some minor virements, requested by budget managers, which have no significant impact on the overall level of service provision.
- Notional capital charges for the use of assets included in individual budgets, for proper accounting standards purposes. For council tax setting purposes, these charges are neutralised as an adjustment between reserves.

An analysis and explanation of the major budget movements is also included in the pages that follow the summarised Comprehensive Income and Expenditure statement.

Council Spending – Capital Budget

The 2019-20 budget includes a Capital Programme of £8.92m. Of this sum the following major schemes have been provided for:

- £3.6m for various housing grants including Disabled Facilities Grants and Affordable Housing Grants;
- £1.9m for the Asset Replacement Programme; and,
- £1.8m for Community Infrastructure Levy projects.

Further details can be found in the Capital and Projects Programme and Asset Replacement Programme sections of this document.

Council Tax

The Government have confirmed that they will continue with the requirement for any “excessive” Council Tax increases to be determined by local referendum. They have established that the threshold for Chichester before triggering a referendum is the higher of either 3% or £5. This equates to a 3.2% increase, or less than 10 pence per week.

For 2019-20, Chichester District Council is proposing a council tax charge of £160.81, an increase of £5 on the charge for 2018-19.

Further information

Further information about the budget spending plans may be obtained from the Financial Services Team at the Council headquarters at East Pallant House, 1 East Pallant, Chichester PO19 1TY.

If you have any questions on any of the information included in the Council’s budget spending plans please contact the Financial Services Team on 01243 785166 or email finance@chichester.gov.uk.

J. Ward CPFA
Director of Corporate Services



Summarised Comprehensive Income and Expenditure

Comprehensive Income and Expenditure Account

	Budget 2018/19 £000	Budget 2019/20 £000
Leader		
Corporate Management	931	1,350
Property and Growth	256	423
Place	-4,141	-3,421
	-2,953	-1,648
Community Services		
Culture	1,444	1,384
Health Protection and Wellbeing	732	801
Careline	48	0
Communities	1,185	1,196
	3,409	3,381
Corporate Services		
Financial Services	1,239	1,231
Legal and Democratic Services	1,190	1,259
Business Support	2,688	2,747
	5,116	5,237
Planning Services		
Development Management	395	566
Planning Policy	1,236	2,785
	1,632	3,351
Housing Services		
Housing	1,820	2,382
	1,820	2,382
Environment Services		
Environmental Protection	1,209	1,320
Promotion and Events	342	266
	1,551	1,586
Residents' Services		
Chichester Contract Services	3,466	3,671
Revenues and Benefits	552	578
Customer Services	443	406
	4,461	4,655
Cost of Services	15,036	18,944

Comprehensive Income and Expenditure Account

	Budget 2018/19 £000	Budget 2019/20 £000
Financing and Investment Income and Expenditure		
Interest and investment income	-903	-1,083
Changes in the value of Investments	565	0
Interest received on finance leases (lessor)	-116	-113
Interest payable on finance leases (lessee)	3	0
Investment Properties	-962	-956
Other Income	-30	-30
	13,593	16,762
<u>ITEMS NOT FUNDED BY COUNCIL TAX</u>		
Notional transactions for comparative and Accounting Code of Practice purposes	-4,244	-6,999
<u>Net transfer to or (from) reserves</u>		
<u>Earmarked Reserves</u>		
Asset Replacement Reserve	1,290	1,337
Capital Projects Reserve	-56	283
Restructuring Reserve	0	-314
Investment Opportunities Reserve	861	533
New Homes Bonus Reserve	2,314	2,178
New Homes Bonus Grants Reserve	-250	-250
Elections Reserve	30	30
Other Reserves	-409	595
<u>General Fund Reserve</u>	-103	-324
	3,677	4,067
DISTRICT COUNCIL REQUIREMENT	13,026	13,830

Budget Spending Plans 2019-20

The Council's estimated budget requirement for 2019-20 is £13.830m (£11.652m excluding NHB). This represents a spending increase of 6.2% (or a 8.8% increase when excluding the NHB) over the base budget for 2018-19. The movement can be analysed as follows:

<u>Major Variations</u>	<u>£000</u>
Base Budget 2018-19	13,025
<u>Expenditure budget increases (+6.4%)</u>	
1. Pay Settlement	456
2. Net Inflation on Prices	162
3. Salary increments	76
4. Pension Contributions	46
5. Business Rates payments	61
6. Insurance Premiums	19
7. Postage	16
	836
<u>Expenditure budget decreases (-1.1%)</u>	
8. Corporate Training	-58
9. Council Tax Reduction Scheme Grant to Parish Councils	-42
10. Rent Rebates and Rent Allowances (net)	-37
Other minor variations (net)	-2
	-139
<u>Decreases in income (+5.2%)</u>	
11. Car Parking	385
12. Planning Application Income	140
13. Recycling credits receivable from WSCC	87
14. Choose Work contribution	37
15. Housing Benefits Administration Subsidy	29
	678
<u>Additional income (-2.4%)</u>	
16. Estates rental and licence income	-150
17. Leisure Centre Management	-92
18. East Pallant House Service Charge Income	-35
19. Street Naming and Numbering	-27
20. Homeless Hostel income	-13
	-317
<u>Service Efficiencies (-2.6%)</u>	
21. Senior Management Restructure	-135
22. Trade Waste disposal contract	-102
23. Savings arising from staff restructures	-63
24. Service Transfer	-34
	-334

Major Variations

Growth Items (+1.2%)

25. Corporate pay review	64
26. Car Parks card and contactless payments	50
27. Holiday Pay	26
28. Environmental Health Officer	12
	<hr/>
	152

29. Contribution to/from reserves – subject to Final Settlement (0.5%)

Business Rates Equalisation Reserve	738
Revenue Budget Support Contingency	150
Revenue contribution to the provision for future asset renewals	70
Removal of contribution to the Investment Risk Reserve	-565
Contribution to the Investment Opportunities Reserve (net movement)	-328
	<hr/>
	65

Budget Requirement (excluding decrease in NHB) 13,966

NHB (movement in year) (-1.0%) -136

Budget Requirement 2019-20 13,830

Financed By:

Financial Settlement

Revenue Support Grant	0
Settlement related grants	0
	<hr/>
	0

Council Tax

Council Tax payers	8,577
Collection Fund deficit (Council Tax)	-27
	<hr/>
	8,550

Business Rates Retention Scheme (BRRS)

Retained Business Rates	9,666
Business Rate Tariff payable to central government	-7,229
BRRS grants from central government	1,287
Business Rates Levy payable to central government (or to the West Sussex coastal pool)	-646
Collection Fund surplus (NDR)	24
	<hr/>
	3,102

Funding excluding NHB 11,652

NHB 2,178

Total Funding 13,830

An explanation of each of the major variances shown in the table above can be found in the following paragraphs:

Budget Increases

1. Pay Settlement (budget increase of £456,000)
The 2019-20 base budget includes provision for a 2% pay increase.
2. Net Inflation on prices (budget increase of £162,100)
This takes into account cost inflation of £278k which is offset against income inflation (excluding car parks) of -£116k. General inflation has been estimated at 3%.
3. Salary Increments (budget increase of £75,900)
The impact of incremental drift on council staff salaries.
4. Pension Contributions (budget increase of £45,700)
0.4% contribution increase from 21.00% to 21.40%. Annual pension cost = £2.9m.
5. Business Rates Payments (budget increase of £61,200)
Overall increase in business rates payable on council owned properties. It was anticipated that 100% rate relief would be granted on the Council's public conveniences generating a budget reduction of some £31k. However, as this new relief requires primary legislation we have been informed by the government that this is now unlikely to happen in 2019-20.
6. Insurance Premiums (budget increase of £18,900)
Increase in Council-wide insurance premiums.
7. Postage (budget increase of £16,000)
Service cost pressure, budget has been exceeded for several years.

Budget decreases

8. Corporate Training (budget decrease of £58,000)
Reduce Corporate Training Budget as per five year Financial Strategy.
9. CTR Grant to Parish Councils (budget decrease of £41,600)
Reduction in Council Tax Reduction (CTR) scheme grant paid to Parish Councils as agreed at December 2018 Cabinet. Total sum payable in 2019-20 is £34k.
10. Rent rebates and rent allowances (net) (budget decrease of £36,700)
Net decrease in Housing Benefit Subsidy and expenditure. The net impact of Housing Benefit payments after the receipt of government subsidy is extremely difficult to predict as it is influenced by caseload volume, changing economic conditions and also government initiatives that affect the value of payments made and also the levels of subsidy provided. The forecast for the current financial year indicates that expenditure on housing benefit payments to claimants will fall to £34.3 million compared to the outturn for 2017-18 of £34.6 million. The budget estimate of £31.1 million for 2019-20 reflects a reduction of 1% on 2018-19 budget as an estimate of the impact of changes to Housing Benefit entitlement. The council is estimated to receive £30.4 million Housing Benefit Subsidy. The net cost to the Council (excluding the recovery of overpayments) has increased by £27k from £714k to £741k. The recovery of overpayments (net of changes to the bad debts provision) reduces the budget by -£63k.

Decrease in income

11. Car Parks (decrease in income of £384,500)
Car parking income has decreased due to the following:
 - Correction to budgeting error for car parking permits £54,500
 - Reduction in income as the franchise for car washing in Council car parks has ended £30,000
 - Permanent adjustment downwards for car parking income reflecting the current economic downturn £300,000.

12. Planning Application Income (decrease in income of £140,000)
Estimated reduction in the volume of applications being received.
13. Recycling credits receivable from WSCC (decrease in income of £87,000)
Reduction in income due to new West Sussex County Council regime.
14. Choose Work (decrease in income of £37,000)
Correction of budgeting error for a funding contribution for the Choose Work programme that was double-counted in the 2018-19 base budget.
15. Housing Benefits Administration Subsidy (decrease in income of £28,800)
Reduction in Housing Benefit administration subsidy grant provided by the Department for Work and Pensions.

Additional Income

16. Estates rentals and licence income (additional income of £150,400)
Most significant changes are: Enterprise Centre £130k, Careline building £19k, and Plot 21 Terminus Road -£25k. Total Estates rental income is estimated to be £1.8m (excl. Investment Property income).
17. Leisure Centre Management (additional income of £92,400)
The income the Council will receive from the leisure management contract will increase from £554k to £646k in year 4 of the ten year contract.
18. East Pallant House Service Charge Income (additional income of £35,200)
Service charges paid by the external organisations that are now using East Pallant House
19. Street Naming and Numbering (additional income of £27,300)
Introduction of a new charging regime for street naming and numbering, for the discretionary function to developers for the initial allocation of street naming and numbering at the time of construction.
20. Homeless Hostel Rental Income (additional income of £12,600)
The occupancy rate at the Westward House homeless hostel in Chichester has increased from 82.5% to 85%.

Service Efficiencies

21. Savings arising from Senior Management Restructure (budget decrease of £135,300)
The following savings have been agreed:
 - Succession Planning as agreed by Cabinet on 22 November 2016 -£65k.
 - Restructuring as agreed by Cabinet 8th January 2019 -£70k.
22. New Trade Waste Disposal Contract (budget decrease of £102,000)
Contract is now with a new provider located in Ford. Previously this was with West Sussex County Council.
23. Savings arising from staffing restructures (budget decrease of £63,400)
Further staffing restructures have produced the following savings:
 - Contact Centre £13k
 - Chichester Contract Services £50k
24. Service transfer (budget decrease of £34,000)
Service transfer to a private provider as agreed by Cabinet on 6 November 2018.

Growth Items

25. Corporate pay review (budget increase of £64,100)
At its meeting in January 2019, Cabinet approved a budget increase of £64,100 to fund the outcome of the corporate pay review including salary protection costs during the three year period 2019-20 to 2021-22.
26. Car Parks card and contactless payments (budget increase of £50,000)
Additional budget required to cover the costs of card and contactless payments.
27. Holiday Pay (budget increase of £26,000)
There is a new requirement to pay holiday pay on overtime payments to staff.
28. Additional Environmental Health Officer (budget increase of £11,600)
Senior Environmental Health Officer post 0.50 FTE, net of savings identified to fund this post.

Contributions to/from reserves

29. Contributions to/from reserves - subject to Final Settlement (an increase of £65,000)
The budget for 2018-19 included a £738k contribution from the Business Rates Equalisation Reserve. This reserve is used to account for the net effect of timing differences between funds recognised in the Council's General Fund in accordance with accounting rules and the timing of cash payments received from Central Government. A contribution from this reserve is not required in 2019-20.

A sum of £150,000 will be transferred to the Revenue Support Reserve to mitigate the potential impact of funding pressures on the community in the Chichester district.

Inflationary increase in contribution to the Asset Replacement Programme (ARP) of £37k plus an increased annual contribution of £33k as a result of a review of the fund for the 2019-20 budget. The total contribution to the ARP is £1.4m.

The budget for 2018-19 included a sum of £565k towards the change in the value of council investments as a consequence of the decision by the Chartered Institute of Public Finance and Accountancy (CIPFA) to adopt IFRS9. In November 2018, after successful lobbying to the Ministry of Housing, Communities and Local Government (MHCLG), the Government issued a "statutory override" for a five year period. This one-off budget has been set aside in the Investment Risk Reserve in 2018-19, and removed from the base budget in 2019-20.

A contribution to reserves of £533k has been set aside for new investment opportunities. This represents a £328k decrease on the base budget contribution from 2018-19. Use of this reserve will follow the normal project approval process via Cabinet and Council (depending on value).



Cabinet Portfolios

LEADER OF THE COUNCIL PORTFOLIO

Council Leader



Cllr Mr A (Tony) Dignum
Tel: 01243 538585
Email: tdignum@chichester.gov.uk

Summary

	£000
Employee costs	2,851
Other running costs	2,644
Capital charges	1,138
Income	-8,281
Net Cost	-1,648

Area of Responsibility included in Summary:

Corporate Management

Employee costs	1,277
Other running costs	61
Capital charges	12
Income	0
	1,350

Property and Growth

Employee costs	878
Other running costs	536
Capital charges	822
Income	-1,813
	423

Which includes:

Building Services

Employee costs	195
Other running costs	22
Capital charges	3
Income	0
	220

Economic Development

Employee costs	243
Other running costs	80
Capital charges	4
Income	0
	327

LEADER OF THE COUNCIL PORTFOLIO

Estates Services

Employee costs	440
Other running costs	434
Capital charges	815
Income	-1,813
	-124

Place

Employee costs	696
Other running costs	2,047
Capital charges	304
Income	-6,468
	-3,421

Which includes:

Car Parks

Employee costs	513
Other running costs	1,542
Capital charges	193
Income	-6,428
	-4,180

Footway Lighting

Employee costs	0
Other running costs	4
Capital charges	0
Income	0
	4

Public Conveniences

Employee costs	47
Other running costs	379
Capital charges	110
Income	-29
	507

Vision

Employee costs	133
Other running costs	122
Capital charges	1
Income	-11
	245

Business Improvement Districts

Employee costs	3
Other running costs	0
Capital charges	0
Income	0
	3

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.

COMMUNITY SERVICES PORTFOLIO

Deputy Leader and Cabinet Member for Community Services



Cllr Mrs Eileen Lintill

Tel: 01798 342948

Email: elintill@chichester.gov.uk

	£000
Summary	
Employee costs	1,783
Other running costs	2,535
Capital charges	862
Income	-1,799
Net Cost	3,381

Area of Responsibility included in Summary:

Culture

Employee costs	391
Other running costs	1,135
Capital charges	815
Income	-957
	1,384

Which includes:

Arts Development

Employee costs	0
Other running costs	50
Capital charges	4
Income	-50
	4

Leisure and Sports Development

Employee costs	26
Other running costs	38
Capital charges	12
Income	0
	76

Leisure Centres Contract Management

Employee costs	20
Other running costs	57
Capital charges	621
Income	-589
	109

COMMUNITY SERVICES PORTFOLIO

Novium Museum and Tourist Information

Employee costs	340
Other running costs	559
Capital charges	174
Income	-245
	828

Tourism Support

Employee costs	0
Other running costs	50
Capital charges	0
Income	0
	50

Pallant House Gallery and Chichester Festival Theatre

Employee costs	5
Other running costs	381
Capital charges	4
Income	-73
	317

Health Protection & Wellbeing

Employee costs	853
Other running costs	309
Capital charges	13
Income	-374
	801

Which includes:

Commercial and Public Safety

Employee costs	458
Other running costs	69
Capital charges	6
Income	-8
	525

Health Development

Employee costs	343
Other running costs	199
Capital charges	5
Income	-366
	181

Emergency Planning

Employee costs	49
Other running costs	39
Capital charges	1
Income	0
	89

Pest Control

Employee costs	3
Other running costs	2
Capital charges	1
Income	0
	6

COMMUNITY SERVICES PORTFOLIO

Communities

Employee costs	539
Other running costs	1,091
Capital charges	34
Income	-468
	1,196

Which includes:

CCTV

Employee costs	0
Other running costs	204
Capital charges	15
Income	-15
	204

Community Engagement

Employee costs	168
Other running costs	831
Capital charges	7
Income	-282
	724

Community Safety

Employee costs	371
Other running costs	56
Capital charges	12
Income	-171
	268

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.

CORPORATE SERVICES PORTFOLIO

Cabinet Member for Corporate Services



Cllr Mr Peter Wilding

Tel: 01428 707324

Email: pwilding@chichester.gov.uk

Summary

	£000
Employee costs	3,202
Other running costs	1,751
Capital charges	339
Income	-55
Net Cost	5,237

Area of Responsibility included in Summary:

Financial Services

Employee costs	863
Other running costs	357
Capital charges	15
Income	-4
	1,231

Which includes:

Accountancy Services

Employee costs	577
Other running costs	89
Capital charges	10
Income	-1
	675

Audit Services

Employee costs	193
Other running costs	23
Capital charges	3
Income	0
	219

Strategic Financial Services

Employee costs	2
Other running costs	235
Capital charges	0
Income	-3
	234

CORPORATE SERVICES PORTFOLIO

Health and Safety

Employee costs	91
Other running costs	10
Capital charges	2
Income	0
	103

Legal and Democratic Services

Employee costs	713
Other running costs	531
Capital charges	20
Income	-5
	1,259

Which includes:

Legal Services

Employee costs	331
Other running costs	89
Capital charges	4
Income	-5
	419

Democratic Representation

Employee costs	338
Other running costs	438
Capital charges	16
Income	0
	792

Procurement

Employee costs	44
Other running costs	4
Capital charges	0
Income	0
	48

Business Support

Employee costs	1,626
Other running costs	863
Capital charges	304
Income	-46
	2,747

Which includes:

Elections

Employee costs	150
Other running costs	97
Capital charges	7
Income	-1
	253

ICT

Employee costs	864
Other running costs	61
Capital charges	14
Income	-3
	936

CORPORATE SERVICES PORTFOLIO

Corporate Improvement and Facilities

Employee costs	331
Other running costs	669
Capital charges	278
Income	-42
	1,236

Human Resources and Payroll

Employee costs	281
Other running costs	36
Capital charges	5
Income	0
	322

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.

PLANNING SERVICES PORTFOLIO

Cabinet Member for Planning Services



Cllr Mrs Susan Taylor

Tel: 01243 514034

Email: sttaylor@chichester.gov.uk

Summary

	£000
Employee costs	2,663
Other running costs	2,598
Capital charges	50
Income	-1,960
Net Cost	3,351

Area of Responsibility included in Summary:

Development Management

Employee costs	1,949
Other running costs	402
Capital charges	40
Income	-1,825
	566

Which includes:

Planning Enforcement

Employee costs	212
Other running costs	58
Capital charges	3
Income	-4
	269

Development Management

Employee costs	1,737
Other running costs	344
Capital charges	37
Income	-1,821
	297

PLANNING SERVICES PORTFOLIO

Planning Policy

Employee costs	714
Other running costs	2,196
Capital charges	10
Income	-135
	2,785

Which includes:

Conservation and Design

Employee costs	63
Other running costs	30
Capital charges	1
Income	-9
	85

Planning Policy

Employee costs	651
Other running costs	2,166
Capital charges	9
Income	-126
	2,700

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.

HOUSING SERVICES PORTFOLIO

Cabinet Member for Housing Services



Cllr Mrs Jane Kilby

Tel: 01243 773494

Email: jkilby@chichester.gov.uk

	£000
Summary	
Employee costs	1,159
Other running costs	2,887
Capital charges	48
Income	-1,712
Net Cost	2,382
Area of Responsibility included in Summary:	
<u>Housing</u>	
Employee costs	1,159
Other running costs	2,887
Capital charges	48
Income	-1,712
	2,382
Which includes:	
Housing Options	
Employee costs	325
Other running costs	398
Capital charges	34
Income	-776
	-19
Housing Standards and Home Move	
Employee costs	416
Other running costs	984
Capital charges	7
Income	-841
	566
Homelessness Prevention	
Employee costs	249
Other running costs	13
Capital charges	5
Income	0
	267
Housing Delivery	
Employee costs	169
Other running costs	1,492
Capital charges	2
Income	-95
	1,568

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.

ENVIRONMENT SERVICES PORTFOLIO

Cabinet Member for Environment Services



Cllr Mr John Connor

Tel: 01243 604243

Email: jconnor@chichester.gov.uk

Summary

	£000
Employee costs	1,752
Other running costs	960
Capital charges	238
Income	-1,364
Net Cost	1,586

Area of Responsibility included in Summary:

Environmental Protection

Employee costs	1,242
Other running costs	775
Capital charges	226
Income	-923
	1,320

Which includes:

Building Control

Employee costs	437
Other running costs	61
Capital charges	6
Income	-415
	89

Coastal Management and Land Drainage

Employee costs	96
Other running costs	302
Capital charges	194
Income	-238
	354

Environmental Protection

Employee costs	493
Other running costs	234
Capital charges	12
Income	-125
	614

ENVIRONMENT SERVICES PORTFOLIO

Environmental Strategy

Employee costs	143
Other running costs	119
Capital charges	2
Income	-123
	141

Foreshores

Employee costs	73
Other running costs	59
Capital charges	12
Income	-22
	122

Promotion & Events

Employee costs	510
Other running costs	185
Capital charges	12
Income	-441
	266

Which includes:

Consultation and Corporate Information

Employee costs	85
Other running costs	15
Capital charges	2
Income	0
	102

Licensing

Employee costs	245
Other running costs	42
Capital charges	5
Income	-382
	-90

Market and Farmers Market

Employee costs	31
Other running costs	30
Capital charges	3
Income	-32
	32

Public Relations

Employee costs	149
Other running costs	98
Capital charges	2
Income	-27
	222

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RESIDENTS' SERVICES PORTFOLIO

Cabinet Member for Residents' Services



Cllr Mr Roger Barrow

Tel: 01243 601100

Email: rbarrow@chichester.gov.uk

£000

Summary

Employee costs	5,592
Other running costs	33,748
Capital charges	752
Income	-35,437
Net Cost	4,655

Area of Responsibility included in Summary:

Chichester Contract Services

Employee costs	3,714
Other running costs	3,057
Capital charges	708
Income	-3,808
	3,671

Which includes:

Cemeteries

Employee costs	62
Other running costs	100
Capital charges	23
Income	-88
	97

Grounds Maintenance

Employee costs	318
Other running costs	258
Capital charges	22
Income	0
	598

Parks and open Spaces

Employee costs	45
Other running costs	296
Capital charges	56
Income	-311
	86

RESIDENTS' SERVICES PORTFOLIO

Street Naming and Numbering

Employee costs	41
Other running costs	12
Capital charges	1
Income	-30
	24

Waste, Cleansing and Recycling Services

Employee costs	3,248
Other running costs	2,391
Capital charges	606
Income	-3,379
	2,866

Revenues and Benefits

Employee costs	1,380
Other running costs	30,558
Capital charges	32
Income	-31,392
	578

Which includes:

Revenues Services

Employee costs	964
Other running costs	299
Capital charges	20
Income	-548
	735

Housing Benefits

Employee costs	416
Other running costs	30,259
Capital charges	12
Income	-30,844
	-157

Customer Services & Land Charges

Employee costs	498
Other running costs	133
Capital charges	12
Income	-237
	406

Which includes:

Customer Services

Employee costs	429
Other running costs	89
Capital charges	10
Income	-8
	520

RESIDENTS' SERVICES PORTFOLIO

Land Charges

Employee costs	69
Other running costs	44
Capital charges	2
Income	-229
	-114

Full details of Cabinet Member Responsibilities can be found in the Council Website at <http://chichester.moderngov.co.uk/mgCommitteeDetails.aspx?ID=135>.



Capital and Projects Programme 2019-20

Capital Financing Summary	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Capital Receipts						
Capital Receipts Reserve	1,215,100	1,478,400	1,395,100	500,000	0	0
Revenue Financing						
Capital Projects Fund / General Revenue Reserves	2,577,600	663,100	300,300	277,500	175,000	175,000
Chichester Warm Homes Reserve	92,700	0	0	0	0	0
Asset Replacement Fund	1,705,000	1,941,400	1,855,000	1,741,000	1,192,000	2,487,000
Commutated Payments (S106)	1,138,300	210,000	76,300	0	0	0
New Homes Bonus	407,000	442,000	2,871,000	2,647,000	250,000	250,000
Community Infrastructure Levy (CIL)	50,000	1,810,000	2,671,000	2,525,000	50,000	425,000
Planning Delivery Grant Reserve	25,500	0	0	0	0	0
Capital Grants & Concessions Reserve	217,400	126,400	0	0	0	0
Investment Opportunity Fund	24,700	0	0	0	0	0
Housing Investment Fund	17,600	102,000	0	0	0	0
Capital Grants						
Disabled Facilities Grants	1,364,000	1,364,000	1,350,000	1,350,000	1,350,000	1,350,000
Environment Agency Coastal Grants	220,000	230,000	250,000	0	0	0
Other Housing Grants	250,000	455,900	370,000	310,000	0	0
Coast2Capital	4,500,000	0	0	0	0	0
Other Contributions	208,000	96,000	0	0	0	0
Funding Totals	14,012,900	8,919,200	11,138,700	9,350,500	3,017,000	4,687,000

Project	Total Approved Budget £	Total Prior Years Payments £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
LEADER								
Place								
Electric Vehicle Charging Points	143,900	4,235	139,700	0	0	0	0	0
North Street Midhurst Car Park re-surfacing	55,000	0	55,000	0	0	0	0	0
Review of Chichester District Parking Strategy	35,000	0	0	35,000	0	0	0	0
Place Total	233,900	4,235	194,700	35,000	0	0	0	0
Property & Growth								
Upgrade of Heating and Ventilation Systems, SW, EPH	186,300	178,560	7,700	0	0	0	0	0
Plot 12 Terminus Road - Enterprise Gateway Development	6,011,900	5,993,859	18,000	0	0	0	0	0
Plot 21 Terminus Road - Development	2,083,000	519,396	1,563,600	0	0	0	0	0
Investment Opportunity 2	1,650,000	1,634,723	15,300	0	0	0	0	0
Investment Opportunity 4	3,717,000	3,707,599	9,400	0	0	0	0	0
New Employment Land - Retaining & attracting businesses	40,000	0	40,000	0	0	0	0	0
St. James Industrial Estate - Future development options	25,000	22,015	3,000	0	0	0	0	0
St. James Industrial Estate - Refurbishment and Replacement of Units	5,225,000	0	15,000	192,000	2,621,000	2,397,000	0	0
East Beach Selsey Land/Asset Opportunities	25,000	0	0	25,000	0	0	0	0
E Wittering/Bracklesham Vision	27,000	0	0	27,000	0	0	0	0
Emerging Vision Projects	79,000	0	0	79,000	0	0	0	0
Property & Growth Total	19,069,200	12,056,151	1,672,000	323,000	2,621,000	2,397,000	0	0
Regeneration								
Southern Gateway - Initial implementation	155,000	60,118	30,000	64,900	0	0	0	0
Southern Gateway - LEP Funding Projects	5,000,000	0	5,000,000	0	0	0	0	0
Regeneration Total	5,155,000	60,118	5,030,000	64,900	0	0	0	0
LEADER TOTAL	24,458,100	12,120,504	6,896,700	422,900	2,621,000	2,397,000	0	0
COMMUNITY SERVICES								
Culture								
The Guildhall, Chichester - Improvement to heating & lighting	30,000	27,910	2,100	0	0	0	0	0
Culture Total	30,000	27,910	2,100	0	0	0	0	0

Project	Total Approved Budget £	Total Prior Years Payments £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Communities								
Bracklesham Bay – Use of S106	1,987,800	1,965,065	22,700	0	0	0	0	0
Petworth Leisure Facilities (Skatepark)	831,900	761,940	0	70,000	0	0	0	0
The Novium Museum - Option appraisal	55,000	40,600	14,400	0	0	0	0	0
The Novium Museum - Market testing	25,600	5,075	20,500	0	0	0	0	0
The Novium Museum - Business Plan Feasibility Work	30,000	0	0	30,000	0	0	0	0
New Homes Bonus Scheme 2017-18 Allocation	240,100	97,149	143,000	0	0	0	0	0
New Homes Bonus Scheme 2018-19 Allocation	249,000	0	249,000	0	0	0	0	0
New Homes Bonus Scheme 2019-23 Allocation	1,250,000	0	0	250,000	250,000	250,000	250,000	250,000
Grants Portal 2017-18 Allocation	72,800	30,353	42,400	0	0	0	0	0
Grants Portal 2018-19 Allocation	175,000	0	175,000	0	0	0	0	0
Grants Portal 2019-23 Allocation	875,000	0	0	175,000	175,000	175,000	175,000	175,000
Careline - Business plan	10,000	3,631	6,400	0	0	0	0	0
Gypsies and Travellers Transit Site	151,400	71,068	80,300	0	0	0	0	0
Communities Total	5,953,600	2,974,881	753,700	525,000	425,000	425,000	425,000	425,000
COMMUNITY SERVICES TOTAL	5,983,600	3,002,791	755,800	525,000	425,000	425,000	425,000	425,000

HOUSING SERVICES								
Housing								
Discretionary Private Sector Grants and Loans	1,769,300	1,274,956	125,000	150,000	116,800	102,500	0	0
Mandatory Disabled Facilities Grants	14,476,833	6,376,833	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
DFG County Adaptations Manager	200,000	0	100,000	100,000	0	0	0	0
Rural Housing Fund	1,500,000	1,040,546	0	200,000	259,500	0	0	0
Rural Enabler Post (Homefinder scheme)	105,000	104,359	600	0	0	0	0	0
Affordable Housing Capital Fund	2,500,000	0	0	1,000,000	1,000,000	500,000	0	0
Affordable Housing Grant Fund	1,911,687	510,387	1,115,000	210,000	76,300	0	0	0
Home Extensions & Conversions (for Hyde properties)	200,000	42,677	0	35,000	122,300	0	0	0
Homeless Prevention Fund - Mortgage Rescue	50,000	7,359	25,600	8,500	8,500	0	0	0
Under-Occupied Properties	66,000	40,204	0	12,500	13,300	0	0	0
Chichester Warm Homes Initiative	379,400	83,430	296,000	0	0	0	0	0
22 Freeland Close - Purchase	235,000	217,438	17,600	0	0	0	0	0
22 Freeland Close - Design Work/Planning Approval	102,000	0	0	102,000	0	0	0	0
Community Led Housing	1,386,100	200	250,000	455,900	370,000	310,000	0	0
Housing Total	24,881,320	9,698,387	3,279,800	3,623,900	3,316,700	2,262,500	1,350,000	1,350,000
HOUSING SERVICES TOTAL	24,881,320	9,698,387	3,279,800	3,623,900	3,316,700	2,262,500	1,350,000	1,350,000

Project	Total Approved Budget £	Total Prior Years Payments £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
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CORPORATE SERVICES								
Business Support								
NWOW - Electronic Document Mgt	38,000	33,530	4,500	0	0	0	0	0
Pay Policy - Comprehensive Review	50,000	10,000	40,000	0	0	0	0	0
CRM Stage 2 Rollout	54,400	37,582	16,800	0	0	0	0	0
CRM Stage 2 – Temp IT Analyst Post	40,000	10,872	29,100	0	0	0	0	0
Business Support Total	182,400	91,984	90,400	0	0	0	0	0
CORPORATE SERVICES TOTAL								
	182,400	91,984	90,400	0	0	0	0	0

PLANNING SERVICES								
Planning Policy								
Development Plan (Adopted)	1,031,900	928,783	103,100	0	0	0	0	0
Tangmere CPO	250,000	85,853	164,100	0	0	0	0	0
Local Plan Review	735,000	94,356	390,600	250,000	0	0	0	0
CIL - Enhancements to Lavant Biodiversity Opportunity Area (project 194)	50,000	10,000	40,000	0	0	0	0	0
CIL - Brandy Hole Copse (project 196)	10,000	0	10,000	0	0	0	0	0
CIL - School access improvements - Chichester (project 657)	50,000	0	0	0	0	50,000	0	0
CIL - School access improvements - Bourne (project 660)	50,000	0	0	0	0	50,000	0	0
CIL - School places E-W Chichester (project 330)	1,200,000	0	0	0	0	1,200,000	0	0
CIL - School places Bourne's (project 331)	1,200,000	0	0	0	0	1,200,000	0	0
CIL - School places Manhood Peninsula (project 332)	1,200,000	0	0	1,200,000	0	0	0	0
CIL - Sustainable transport corridor - city centre to Portfield (project 656)	500,000	0	0	0	0	25,000	50,000	425,000
CIL - Sustainable transport corridor - city centre to Westhampnett (project 353)	500,000	0	0	500,000	0	0	0	0
CIL - Medical Centre West of Chichester (project 398)	1,750,000	0	0	0	1,750,000	0	0	0
CIL - School access improvements - Manhood (project 659)	50,000	0	0	50,000	0	0	0	0
CIL - RTP1 screens at Chichester City (project 355)	120,000	0	0	60,000	60,000	0	0	0
CIL - A286 Birdham/B2201 (Selsey Road Roundabout) Junction Improvement (project 349)	111,000	0	0	0	111,000	0	0	0
CIL - Area-wide Parking Management North East Chichester (project 654)	250,000	0	0	0	250,000	0	0	0
CIL - Area-wide Parking Management West Chichester (project 655)	250,000	0	0	0	250,000	0	0	0
CIL - Area-wide Parking Management Chichester City (project 665)	250,000	0	0	0	250,000	0	0	0
Planning Policy Total	9,557,900	1,118,992	707,800	2,060,000	2,671,000	2,525,000	50,000	425,000
PLANNING SERVICES TOTAL								
	9,557,900	1,118,992	707,800	2,060,000	2,671,000	2,525,000	50,000	425,000

Project	Total Approved Budget £	Total Prior Years Payments £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
ENVIRONMENT SERVICES								
Environmental Protection								
Beach Management Plan Works (Selsey, Bracklesham and East Wittering)	2,505,000	1,804,985	220,000	230,000	250,000	0	0	0
Local land drainage East Beach Sea Outfall	149,000	0	149,000	0	0	0	0	0
Environmental Protection Total	2,654,000	1,804,985	369,000	230,000	250,000	0	0	0
ENVIRONMENTAL SERVICES TOTAL	2,654,000	1,804,985	369,000	230,000	250,000	0	0	0
RESIDENTS' SERVICES								
Contract Services (CCS)								
Priory Park - Various works to existing buildings & Coade stone statue	57,000	0	57,000	0	0	0	0	0
Priory Park Phase 2 Options Appraisal	10,000	0	0	10,000	0	0	0	0
Closed cemeteries - Essential structural repairs	65,000	0	65,000	0	0	0	0	0
CCS Vehicle Wash Project (**)	126,000	0	20,000	106,000	0	0	0	0
Contract Services (CCS) Total	258,000	0	142,000	116,000	0	0	0	0
Revenues & Housing Benefits								
Revs & Bens and Customer Services Project	182,900	116,464	66,400	0	0	0	0	0
Revenues & Housing Benefits Total	182,900	116,464	66,400	0	0	0	0	0
RESIDENTS' SERVICES TOTAL	440,900	116,464	208,400	116,000	0	0	0	0
PROGRAMME OF CAPITAL PROJECTS TOTAL	68,158,220	27,954,108	12,307,900	6,977,800	9,283,700	7,609,500	1,825,000	2,200,000
Asset Replacement Programme			1,705,000	1,941,400	1,855,000	1,741,000	1,192,000	2,487,000
Asset Replacement Programme Total			1,705,000	1,941,400	1,855,000	1,741,000	1,192,000	2,487,000
TOTAL CAPITAL SPEND			14,012,900	8,919,200	11,138,700	9,350,500	3,017,000	4,687,000

Projects marked with (**) are subject to a full Project Initiation Document (PID)



Asset Replacement Projects Programme 2019-20

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
LEADER						
Property & Growth						
Westgate LC - New Pool Heat Exchangers	7,500	0	0	0	0	0
Westgate Carbon Trust 2014	16,200	0	0	0	0	0
Westgate LC - Auto & Manual Door Replacement	30,000	0	0	0	0	0
Westgate LC - Replace Curtain Walling (Southern fire escape)	40,000	0	0	0	0	0
Westgate LC - Pool Hall Refurbishment	0	0	50,000	0	0	0
Bourne LC - Auto Doors Replacement	0	0	0	0	16,000	0
Bourne LC - Electrical Distribution Boards & Cables	0	0	0	0	8,000	0
Novium - Internal Floors & Ceilings	0	0	13,000	0	0	0
Novium - Flat Roof Repairs	0	8,000	0	0	0	0
Novium - Lighting Replacement	20,000	0	0	0	0	0
Novium - Mechanical Pumps	0	0	6,000	0	0	0
Novium - Carpets	0	0	0	0	3,000	0
Novium - Resin Floor	0	0	0	0	3,000	0
Property & Growth Total	113,700	8,000	69,000	0	30,000	0

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Place						
ADC Car Park Years 1 & 2 - Structural Replacement	80,000	0	0	0	0	0
ADC Car Park Year 3 - Essential Upgrade Vehicle Perimeter Barriers	97,100	0	0	0	0	0
ADC Car Park - Lighting Replacement	38,000	0	0	0	0	0
ADC Car Park Year 3 - Upgrade Pedestrian Railings	38,800	0	0	0	0	0
ADC Car Park - Pump Replacement	30,000	0	0	0	0	0
ADC Car Park - Bridge Repairs	0	0	0	0	5,000	0
Pay and Display Machines	0	0	0	0	0	200,000
Resurfacing and Re-lining of Car Parks	0	50,000	0	50,000	0	50,000
CCTV - Camera Replacement Costs	0	165,400	0	0	0	25,000
Marine Drive East Wittering Public Convenience	0	12,000	0	0	0	0
Tower Street Chichester Public Convenience	0	145,000	0	0	0	0
Northgate Chichester Public Convenience	0	120,000	0	0	0	0
Market Road Chichester Public Convenience	0	0	0	150,000	0	0
Bracklesham Bay Public Convenience	0	325,000	0	0	0	0
Bosham Public Convenience	0	0	120,000	0	0	0
Priory Park Public Convenience	0	0	150,000	0	0	0
Itchenor Public Convenience	0	0	0	20,000	0	0
Lifeboat Station Public Convenience	0	0	0	0	0	150,000
East Beach Selsey Public Convenience	0	150,000	0	0	0	0
Public Conveniences - Wallgate Replacement Programme	25,000	0	30,000	0	0	0
Place Total	308,900	967,400	300,000	220,000	5,000	425,000
Promotion & Events						
Farmers Market Canopies	10,400	0	10,000	0	10,000	0
Promotion & Events Total	10,400	0	10,000	0	10,000	0
LEADER TOTAL	433,000	975,400	379,000	220,000	45,000	425,000

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
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COMMUNITY SERVICES						
Culture						
Oaklands Park - Resurface Tennis Courts	0	0	0	33,000	0	0
Oaklands Park - Power wash / reline	0	0	0	3,000	0	0
Culture Total	0	0	0	36,000	0	0
COMMUNITY SERVICES TOTAL						
	0	0	0	36,000	0	0

PLANNING SERVICES						
Environmental Protection						
Foreshores - Floatation suits	3,000	0	0	0	0	0
Foreshores - Boats/Ribs	0	0	0	0	0	23,000
Foreshores - Engines	0	0	0	0	0	24,000
Foreshores - Trailers	0	0	0	0	0	4,000
Environmental Protection Total *	3,000	0	0	0	0	51,000
PLANNING SERVICES TOTAL						
	3,000	0	0	0	0	51,000

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
HOUSING SERVICES						
Housing						
Westward House - Laundry equipment	5,000	0	0	0	0	5,000
Westward House - Fire alarm & emergency lighting	0	0	0	0	35,000	0
Westward House - Internal Finishes	0	0	0	0	12,000	12,000
Westward House - Floor Finishes	0	0	0	0	15,000	15,000
Westward House - Electrical Distribution Boards & Cables	0	0	0	0	0	10,000
Westward House - External Pavings	0	0	0	0	0	5,000
Westward House - Replacement Thermostatic Mixer Values	0	15,000	0	0	0	0
Housing Total	5,000	15,000	0	0	62,000	47,000
HOUSING SERVICES TOTAL	5,000	15,000	0	0	62,000	47,000
CORPORATE SERVICES						
Financial Services						
Software Asset Replacement	0	0	0	0	0	400,000
Financial Services	0	0	0	0	0	400,000

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Business Support						
NWOW - EPH Lighting Replacement	0	8,000	0	0	0	10,000
NWOW - EPH Internal Floors & Ceilings	138,600	0	10,000	0	0	0
NWOW - EPH Air Conditioning Replacement	0	4,500	0	0	8,000	0
EPH - Members Kitchen Refurbishment	0	12,000	0	0	0	0
EPH - Floor Finishes	0	0	10,000	0	0	0
EPH - Lift Replacement	0	14,400	0	0	0	0
EPH - CCTV Replacement	0	9,300	0	0	0	0
EPH - New Boiler Plant	0	0	50,000	0	0	0
EPH - Auto Door Replacement	0	16,000	0	0	0	0
EPH - Flat Roof Repairs	10,000	0	0	0	0	10,000
EPH - Fire Alarm & Electric Lighting	0	0	60,000	0	0	0
EPH - Intruder Alarm	0	0	0	0	0	20,000
EPH - Electricity Distribution Boards & Cables	0	0	40,000	0	0	0
EPH - UPS batteries	0	12,000	0	12,000	0	0
EPH - Folding Machine	0	10,000	0	0	0	0
EPH - Access / Door Control System	35,000	0	0	0	0	0
EPH - Pitched Roof Repairs	0	0	0	20,000	0	0
EPH - AHU Plant Refurbishment / Replacement	0	0	0	0	15,000	0
EPH - Office Furniture & Chairs	10,000	10,000	10,000	10,000	10,000	10,000
Website Gateway Infrastructure	0	19,800	0	0	0	0
Software Application Upgrades	20,000	20,000	20,000	20,000	20,000	20,000
Website Enhancements - Channel Shift	11,400	0	0	0	0	0
Oracle Server Rationalisation	63,200	0	0	0	0	0
NWOW - General desktop replacements	118,500	62,000	62,000	62,000	62,000	62,000
Scanners	2,100	0	0	0	0	0
Citrix Upgrade	33,700	0	15,000	0	0	15,000
Exchange 2010	5,100	0	0	0	0	0
Remote Access (VPN)	30,000	0	0	15,000	0	0

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Printers	15,000	0	0	0	0	0
Network Hardware	61,700	24,000	24,000	24,000	24,000	24,000
VM Ware (Virtual Servers)	21,500	9,000	9,000	9,000	9,000	9,000
GIS Intranet Mapping Licences	0	10,000	0	0	0	0
Network Monitoring Equipment	0	10,000	0	0	0	0
Website Enhancements / Astun / NDL Hardware	0	0	0	0	10,000	0
Upgrade active directory	25,000	0	0	0	0	0
SAN Additional Storage	0	0	15,000	0	0	0
Corporate Backups	0	20,000	0	0	0	0
Website Hardware	0	65,000	0	0	0	0
Lagan Upgrade	0	25,000	0	0	0	0
Exchange upgrade	15,000	0	0	0	0	15,000
Replacement (SUN Server)	66,000	0	0	0	0	66,000
SAN Infrastructure	55,000	0	0	0	0	55,000
Contact Centre Switch	25,000	0	0	0	0	25,000
Wireless Servers	15,000	0	0	0	0	15,000
SQL Server Licences	0	0	0	15,000	0	0
Telephone System	11,300	0	0	0	0	0
PSN / Compliance - Health Checks	17,500	7,000	7,000	7,000	7,000	7,000
ICT Business Continuity	20,000	0	0	20,000	0	0
CMS upgrade	10,000	10,000	0	0	10,000	0
Business Support Total	835,600	378,000	332,000	214,000	175,000	363,000
CORPORATE SERVICES TOTAL						
	835,600	378,000	332,000	214,000	175,000	763,000

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
ENVIRONMENT SERVICES						
Environmental Protection						
AC Unit for Air Quality Monitoring Station (Orchard Street)	0	0	0	2,000	0	0
Sound Level Meter	9,000	0	9,000	0	0	0
Photometer	0	1,000	0	0	0	0
PM10 TEOM Analyser	0	0	10,000	0	0	0
AC Unit for Air Quality Monitoring Station (Stockbridge)	0	3,000	0	0	0	0
Air Quality Monitoring Station Westhampnett Road	0	0	0	0	0	2,000
Ozone Analyser - Lodsworth	0	0	10,000	0	0	0
Environmental Protection Total	9,000	4,000	29,000	2,000	0	2,000
ENVIRONMENT SERVICES TOTAL						
	9,000	4,000	29,000	2,000	0	2,000
RESIDENTS' SERVICES						
Contract Services (CCS)						
Playground Replacement - Oaklands	0	0	70,000	0	0	0
Playground Replacement - Sherborne	0	0	80,000	0	0	0
Playground Replacement - Whyke Oval	0	0	0	0	0	70,000
Playground Replacement - Priory Park	0	0	0	0	0	100,000
Playground Replacement - Florence Park	0	0	0	0	0	120,000
MUGA resurface - Whyke	0	0	15,000	0	0	0
MUGA resurface - Florence Road	0	0	25,000	0	0	0
Careline - UPS System - Batteries	6,000	0	0	0	0	0
Careline - Air Conditioning	500	0	0	0	0	0
Careline - Floor Finishes	5,000	0	0	0	0	0
Careline - Replace Generator (outside building)	23,000	0	0	0	0	0
Careline - Internal Space Reconfiguration/Refurbishment	8,000	0	0	0	0	0
South Pond - Revetments Replacement	0	0	0	20,000	0	0

Asset Replacement Programme 2018-19 to 2023-24

Appendix 1d

Project	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Priory Park Former Cricket Pavilion	0	0	0	0	0	150,000
Priory Park (White) Timber Pavilion	0	150,000	0	0	0	0
CCS / Non CCS Vehicle Replacement	371,000	120,000	923,000	1,247,000	864,000	706,000
Sandbags	0	10,000	0	0	0	0
Westhampnett Depot - Replacement Fuel Storage Facility (4 week supply)	0	0	0	0	0	35,000
Westhampnett Depot - Refurbishment	0	21,000	0	0	0	0
Westhampnett Depot - General Resurfacing	0	200,000	0	0	0	0
Westhampnett Depot - Replace Standby Generator	0	32,000	0	0	0	0
Westhampnett Depot - Central Service Bays Doors	0	13,000	0	0	0	0
Westhampnett Depot - Workshop Fire Separating Wall	0	10,000	0	0	0	0
Soil Reliever - Plant Ref: CCS 164	0	0	0	0	0	16,000
Vehicle Workshops - Equipment Replacement	5,900	2,000	2,000	2,000	2,000	2,000
Vehicle workshops - Vehicle pit covers	0	0	0	0	7,000	0
Vehicle workshops - Vehicle pit jacks	0	6,000	0	0	0	0
Vehicle workshops - Roller brake tester	0	0	0	0	30,000	0
Vehicle workshops - 4 post vehicle lift	0	0	0	0	7,000	0
Vehicle workshops - Smoke / emissions tester	0	5,000	0	0	0	0
Contract Services (CCS) Total	419,400	569,000	1,115,000	1,269,000	910,000	1,199,000
RESIDENTS' SERVICES TOTAL	419,400	569,000	1,115,000	1,269,000	910,000	1,199,000
Total Asset Replacement Fund	1,705,000	1,941,400	1,855,000	1,741,000	1,192,000	2,487,000

Capital Programme Resource Statement
2018-19 to 2023-24

Resources Description	Total 2018-19 to 2023-24
(A)	(B) £m
Reserves at April 2018	39.089
New Resources	
Asset Sales (96%)	9.394
Interest on investments (excl. property fund)	2.033
NHBS 2018-19 & 2019-20 <i>(Please refer to Note)</i>	4.492
Revenue contribution to Asset Replacement Fund	7.738
Revenue contribution to Investment Opportunity Fund	0.861
External income due to support capital programme (incl CIL)	23.974
Interest on repayment of SLM advance	1.114
Total Resources	88.695
Less commitments:	
Insurance Fund	-0.266
Provision for one off redundancies	-0.525
Housing Reserve	-0.663
Minimum level of reserves	-6.300
Other earmarked funding	
Reserve commitments - Revenue	-7.332
One-off Cabinet approval funding from revenue reserve	-0.146
Available Resources	73.463
Current Capital Projects	-40.204
Current Asset Replacements	-10.921
Uncommitted Resources	22.338

Note: The table only includes New Homes Bonus Grant upto & including 2019-20. Any grant received from 2020-21 will therefore increase the level of Uncommitted Resources.

	£m
NHBS Balance 1 April 2018	11.177
NHBS Grant 2018-19 & 2019-20	4.492
NHBS Commitments 2018-19 to 2023-24	-6.867
Balance Uncommitted 31 March 24 Projected	8.802

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CHICHESTER DISTRICT COUNCIL

Statement of Reserves

Reserves	Balance at 31 st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
REVENUE RESERVES					
General Fund Reserve	14,865	This general reserve is used to fund non-recurring expenditure such as the capital programme, Policy Initiatives and emergencies. The reserve is used to finance any general fund deficits and is conversely credited with any surplus.	Use of this general reserve is reviewed by the Director of Corporate Services and Senior Leadership Team as part of the annual budget setting process and a 5 year Financial Strategy. Approval for non-recurring expenditure to be funded from this reserve must be sought from the Cabinet, and Council if greater than £100,000.	The Cabinet and delegated powers granted to the Director of Corporate Services.	Annually as part of the 5 year Financial Strategy and as part of the budget process i.e. funding the capital programme.
Housing Reserve	783	A reserve set aside to fund housing investment projects.	Approval to spend subject to reports to the Cabinet.	The Council	Annually as part of the 5 year Financial Strategy.

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Restructuring Reserve	525	A reserve earmarked to cover the potential one-off costs of future service reductions.	Approval to spend subject to approval by Cabinet and the Chief Executive.	Delegated powers to the Chief Executive.	Annually
Capital Projects Fund	460	This reserve is earmarked to support the funding of the Council's approved capital programme.	As determined by the Director of Corporate Services when formulating the financing of the capital programme as part of the 5 year Financial Strategy.	The Council	Annually
Asset Reserve	6,641	To provide for the future replacement of plant and equipment, vehicles and information technology. The fund is replenished by repayments from revenue and interest generated from the Council's treasury management activities.	Approval to spend subject to reports to the Cabinet and Council.	The Council	Annually

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Carry Forwards Reserve	90	A reserve containing the funds to finance approved carry forwards from the previous financial year.	Funds approved by the Cabinet to finance carry forwards from the previous financial year.	Corporate Governance & Audit Committee ↓ The Council	Annually
New Homes Bonus Reserve	11,177	A reserve containing the funds received under the New Homes Bonus Scheme.	Approval to spend subject to reports to the Cabinet.	The Council	Annually
Grants and Contributions Reserve	885	A reserve to hold external funds the Council has received where the condition(s) of the grant or contribution has been met but not all the expenditure has been incurred.	Funds held in this reserve are released once the qualifying expenditure relating to the grant or contribution is incurred.	Director of Corporate Services	Annually
Rent Deposits Reserve	218	A reserve to hold external funds the Council has received and revenue contributions the Council has made to fund the award of rent deposits to housing applicants	Applications received under the Rent Deposit Scheme are considered by Councils' Housing Team.	Director of Housing & Communities	Annually

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Pump Prime Initiative	168	A one-off reserve created as part of the approved 2013-14 budget, to help fund pump prime initiatives where the primary objective is to help reduce the base budget in future years	Approval to spend subject to reports to the Cabinet as per approved delegation authority.	For individual initiatives <£20,000 – delegated to the Chief Executive and Cabinet Member for Finance. For individual initiatives >£20,000 – Cabinet	Annually
Investment Opportunities Reserve	0	A reserve created to principally fund investments that aim to generate increased income. Its aim is to generate higher returns than currently available for alternative cash investments.	Approval to spend subject to reports to the Cabinet.	The Council	Annually
Building Repairs Reserve	248	A reserve set up to provide for slippage in the annual building repairs and maintenance programme.	As determined by the Director of Corporate Services.	Director of Corporate Services provided the funds are used for the purpose that the reserve was created.	Annually

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Insurance Fund	266	A reserve to provide for a mechanism of self-insurance to meet potential liabilities arising from uninsured losses i.e. policy excesses and where external insurance cover is not available or uneconomic. The reserve is replenished by premium contributions from the Council's revenue budget.	As determined by the Director of Corporate Services	Director of Corporate Services provided the funds are used for the purpose that the reserve was created.	Annually
New Homes Bonus Grants Reserve	293	Grant funding of projects to reward those communities taking new housing growth. Represents grants awarded but not yet drawn down.	Applications made by Parish Councils for funding are considered by the Grants and Concessions Panel.	Grants and Concessions Panel	Annually
Elections Reserve	149	To provide for the funding of future District Council Elections. The reserve is replenished by annual contributions from the Council's revenue budget.	As determined by the Director of Corporate Services.	Director of Corporate Services provided the funds are used for the purpose that the reserve was created.	Annually

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Retained Business Rates Equalisation Reserve	887	A reserve set up to account for timing differences relating to the accounting transactions required under the Business Rates Retention Scheme.	Funds held in this reserve are released annually when the Business Rates Collection Fund is closed at the end of the financial year.	Director of Corporate Services	Annually
Grants and Concessions Reserve	270	To provide for the future funding of the Grants and Concessions Panel. This reserve receives an annual contribution from the Council's revenue budget.	As determined by the Director of Corporate Services when formulating the financing of the capital programme as part of the 5 year Financial Strategy.	The Council	Annually
Chichester Warm Homes Initiative Reserve	93	A reserve that received the repurposing of the balance remaining in the former Carbon Reduction Fund. The purpose of the reserve is to provide funding to the most vulnerable residents living in the poorest housing in the district with an adequate and efficient heating system.	Applications for funding are assessed by the Council's existing Energy Visiting officers to ensure they meet the qualifying criteria of the scheme.	Director of Housing & Communities	Annually

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
Local Plan Reserve	160	The Financial Strategy approved by Cabinet in December 2016 provided for an annual contribution of £160k to a Local Plan Reserve to support the funding of the Council's Local Plan Submission.	Approval to spend subject to reports to the Cabinet.	The Council	Annually
Other Reserves	826	Minor reserves and funds earmarked to be used for specific items of future expenditure.	These reserves and funds are earmarked for specific items of future expenditure.	Director of Corporate Services provided the funds are used for the purpose that the reserve was created.	Annually
Total Revenue Reserves	39,004				

Reserves	Balance at 31st March 2018 £000	Purpose of the Reserve	How and when can reserve be spent	Authorisation required for use of reserve	Frequency of review for reserve adequacy
CAPITAL RESERVES					
Usable Capital Receipts Reserve	84	Receipts that arise from the sale of Council assets. These resources can only be used to finance the Council's capital programme.	All scheme proposals are considered as part of the Capital Strategy and funding allocated to schemes based upon the Council's capital prioritisation process.	The Council	Annually
Total Capital Reserves	85				
Total Reserves	39,089				

Prudential Indicators and MRP Statement 2019/20

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives the Prudential Code sets out a number of indicators, some of which are set out below. The remaining indicators are set out in the Treasury Management Strategy 2019-20.

Estimates of Capital Expenditure: The Authority's planned capital expenditure and financing may be summarised as follows. Further detail is provided in Appendix 1c (Capital and Projects Programme 2019-20 to 2023-24) and Appendix 1d (Asset Replacement Forecast 2019-20 to 2023-24) to this Budget Report.

Capital Expenditure and Financing	2018/19 Rev £m	2019/20 Est £m	2020/21 Est £m	2021/22 Est £m	2022/23 Est £m	2023/24 Est £m
Total Expenditure	14.013	8.919	11.139	9.351	3.017	4.687
Capital Receipts	1.215	1.478	1.395	0.500	0.000	0.000
Government Grants	6.334	2.050	1.970	1.660	1.350	1.350
Other Contributions	1.396	2.116	2.747	2.525	0.050	0.425
Reserves	4.526	2.731	2.155	2.019	1.367	2.662
Revenue	0.542	0.544	2.872	2.647	0.250	0.250
Total Financing	14.013	8.919	11.139	9.351	3.017	4.687

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2018/19 Rev	2019/20 Est	2020/21 Est	2021/22 Est	2022/23 Est	2023/24 Est
General Fund	-5.10%	-7.00%	-7.28%	-6.95%	-6.49%	-6.31%

The estimates of financing costs reflect the Budget Spending Plans for 2019-20 to be reported to Cabinet on 5 February 2019 and considered by Council on 5 March

2019. These indicators have been updated to reflect the current phasing of the capital programme and the effect on the cash flow forecasts for investments. The fact that the percentages remain negative shows that the investment interest remains an income source to the Council.

Annual Minimum Revenue Provision Statement 2019-20

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's *Guidance on Minimum Revenue Provision* (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement only incorporates options recommended in the Guidance:

Whilst the Council's General Fund Capital Financing Requirement is expected to remain negative or zero as at 31st March 2019, if the CLG Guidance is adhered to there should be no MRP charge in 2019-20. However, as identified whilst preparing the 2014-15 statutory accounts a finance lease for the Multi-functional devices was identified which adjusted the negative CFR position, and as such an MRP charge of £12,700 will be required in 2019-20 in accordance with the Council's MRP policy.

The Council's MRP policy for all borrowing after 31st March 2008 is based on the asset life method.

For new borrowing whether supported by the Government or not, MRP provision will be made over the estimated life of the asset for which the borrowing is undertaken. This will be done on a straight line basis in-line with the asset life determined for depreciation purposes and the MRP provision will commence in the financial year following the one in which the asset becomes operational.

MRP is payable in the financial year following that in which the capital expenditure was incurred. The guidance allows for an important exception to this rule. In the case of expenditure on a new asset, MRP would not have to be charged until the

financial year following the year in which the asset became operational. In respect of major schemes, this would enable an “MRP Holiday” delaying the on-set of the revenue charge for possibly up to 2 or 3 years.

Based on the Council’s estimate of its Capital Financing Requirement on 31st March 2019, the budget for MRP has been set is set at **£12,700 for 2019-20** due to the MRP required for the MFD finance lease.

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Project Documentation**PROJECT INITIATION DOCUMENT
(PID)****Replacement of 11 Outdated City Centre CCTV cameras
and reinstatement of two cameras in Avenue De Chartres**

Release:	Draft
Date:	17 October 2018
Author:	Pam Bushby Divisional Manager Communities
Approved by:	Louise Rudziak Director Housing and Communities

Note: the completion of this document is required for medium and large projects as defined by the Project Type Matrix. The final version should be saved in a sub folder on the x drive under project management / project documentation.

Document History

Revision Date	Version	Summary of Changes	Reviewer(s)
1/11/18	1		
	2		

Consideration by the Corporate Improvement Team

Date	Reviewing Officer	Comments for Consideration
29/10/2018	Jenny Westbrook	Comments provided to Service for consideration.

Approvals

This document requires the following approvals:

Name of person, group or committee
Louise Rudziak Director Housing and Communities
Cabinet

Distribution

A final copy of the approved document will be distributed to:

Name	Job Title
Andy Buckley	Corporate Improvement and Facilities Manager
Louise Rudziak	Director Housing and Communities
John Ward	Director Corporate Services
Peter Sargent	Service Accountant
Tony Jackson	Accountant

1. PURPOSE OF DOCUMENT

This Project Initiation Document (PID) defines the project to replace 11 outdated City centre CCTV cameras and reinstate 2 cameras at the Avenue De Chartres. It sets out the aims of the project and why it should go ahead. This PID will provide the baseline for the project's management and for an assessment of its overall success.

2. PROJECT DESCRIPTION

To replace the outdated cameras in the city centre and also reinstate two cameras in Avenue De Chartres that were removed in 2012 (as per list below).

Camera location
North Street x2
West Street x2

South Street x2
Little London
Market Avenue South
Market Road
Baffins Lane
Avenue De Chartres West
Avenue De Chartres- multi-storey
Westgate Roundabout

3. BACKGROUND

Many of the City centre CCTV cameras have been in place since CCTV was installed in 1996, the cameras are outdated and have not kept up with current technological changes and no longer provide the surveillance quality needed to protect the busy city centre. The two cameras in Avenue De Chartres were removed in 2012 as part of a CCTV review however since that time the area around the multi-storey car park which was covered by one of the cameras has become an area which has seen an increase in crime and antisocial behaviour (ASB). Reinstating this and the camera at the Westgate Roundabout would help in the prevention and detection of crime in these areas.

4. PROJECT OBJECTIVES AND SUCCESS CRITERIA

4.1. Outputs

Replacement of 11 outdated City centre CCTV cameras and reinstatement of the cameras at the top of the Avenue De Chartres multi storey and at the roundabout at Westgate.

4.2. Outcomes

The project links to the corporate plan priorities to support our Communities work together and make them feel safe and Improve and support the local economy,

- Without effective CCTV in the City visitors to the area may feel less safe, crime in the city centre may rise and people may stop coming to the City. by completing this project Chichester City will be seen as an even safer place to visit.
- Businesses in the City centre would be better supported as CCTV is an integral member of chiBAC our local “shop-watch” scheme and any improvements in quality or numbers of cameras would improve the effectiveness of chiBAC and increase the number of crimes and incidents in the city centre having a positive resolution.

4.3. Outcome Measures

- Rise in footfall as visitors are confident that they are protected and CCTV will deter criminals within the City centre.
- Numbers of incidents positively resolved through the intervention of CCTV.
- Reports from chiBAC that criminal activity has reduced.
- Reduction in reports from car parks and public about the ASB and criminal activity around the multi-storey car park.

4.4. Dis-benefits

- Some members of the public are averse to CCTV and feel it is an invasion of privacy and may avoid the City centre. They may also see it as not a good use of public monies.
- There will be some disruption to the service whilst the works take place.
- Limited provision available for any additional replacement cameras before 2023.

4.5. Out of Scope

The project will not include the consideration of upgrading any other CCTV cameras at this stage and will be focussed on purely updating the most out of date equipment. However the current upgrading of the transmission service may well improve the picture quality of the remaining cameras and this is scheduled to be completed by end December 2019.

5. PROJECT CONSTRAINTS

The monies available will only be enough to replace the cameras identified and there will be limited provision to replace any further cameras before 2023. It is expected the maintenance of the remaining cameras will be fulfilled by the existing contract and will negate the need for replacement within this timeframe.

6. PROJECT ASSUMPTIONS

That Council approval is given to roll together the £165,000 from the ARP to enable this work to be completed.

7. PROJECT COSTS

It is proposed to roll the Asset Renewal Programme (ARP) allocated funding for CCTV from 17/18 to 22/23 together which totals £165, 000 to ensure enough funding would be available. The majority of costs will be the purchase and installation of the cameras as well as transmission costs. Early indications are it will cost at least £10,000 per camera meaning an estimated total of at least £130,000.

7.1. Project Delivery Costs

Costs £		Source
Capital	£165,000	ARP £165,00
Revenue	None	
Savings	There could be savings if other Local Authorities are also looking at the purchase of new cameras and this is being explored by Sussex Police.	
Services to be involved in the delivery	Communities Finance Sussex Police BT Chroma-vision	

7.2. On-going Costs Following Project Completion

Once completed there would be on-going maintenance and monitoring costs and these would be met by the current contracts in place.

8. OPTIONS SUMMARY

- Do nothing with the City centre cameras and continue to use outdated technology and risk the cameras becoming obsolete and unusable.
- Replace a few cameras at a time, which would not prove cost effective.
- Do not reinstate the two cameras at ADC and crime and ASB continues to rise in this area.

9. PROJECT APPROACH

The project will involve liaison with Sussex Police and the contractors/ contracts currently in place for CCTV and will be delivered in Partnership. Sussex Police will be the lead and arrange all the quotations and liaison with the contractors who will deliver the project.

10. PROJECT PLAN

Task No.	Task / milestone	Completion Date	Responsible Owner	Dependency
Stage 1				
1.1	Cabinet meeting to consider recommended approval for the project funding	8 January 2019	PB	Completion and approval of PID.
1.2	Receipt of up to date quotations for all of the work necessary to complete the Project	31 March 2019	PB	Securing funding to proceed.
1.3	Commencement of the works	June 2019	PB	It is hoped the re-installation of the two cameras in ADC would be the first works commenced.
1.4	Completion of the works	31 March 2020	PB	How quickly the contractors can begin work bearing in mind the current improvements to transmission currently

				underway and planned completion Dec 2019
1.5	Post Project Evaluation			February 2020

11. PROJECT TEAM

Pam Bushby Divisional Manager Communities	Project overview – Responsible Officer
Claude Deaud Sussex Police	To provide quotations and liaison with contractors and to provide regular updates and technical support.

12. COMMUNICATION

Regular meetings between CDC and Sussex Police to ensure project progressing and to highlight any issues. Sussex Police to be made aware of the key milestone dates so they can keep the project on track.

13. RISK LOG

The following risks have been identified together with an assessment of their severity and actions that can be taken to mitigate/reduce the risk. Details of all project risks will be recorded as and when they are identified.

Risk No	Risk Description	Likelihood Unlikely Possible Probable Certain	Impact Minor Significant Serious Major	Planned Actions to Reduce Risk	Responsible Officer
1	Cabinet do not approve funding	Possible	Serious	Cabinet to be made aware of the issues which give rise to the need for the project	Pam Bushby
2	Project costs are greater than estimated	Possible	Significant	Slightly more money has been assigned than may be needed to mitigate this risk.	Pam Bushby
3	Missed deadlines	Possible	Significant	Frequent monitoring meetings	Pam Bushby
4.	Technological Advances rendering new cameras out of date	Possible	Significant	The current Upgrade of transmission and replacement of the cameras to the newest spec will ensure the cameras keep	Pam Bushby

				pace with changes in technology	
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Appendix 1 – Summary of amendments
between 2018-19 and 2019-20

Item	Page	Comment
Treasury Management Policy Statement	3	Unchanged
Treasury Management and Investment Strategy 2019-20		
- Treasury and Commercial Investments	5	Updated to reflect CIPFA and MHCLG guidance. The main change is to bring into the strategy commercial and service investments and to define each.
- Risk Appetite Statement	7	Unchanged
- Proportionality	7	<p>New section required by updated MHCLG guidance.</p> <p>As the Council builds some commercial income into its base revenue budget, we are required to detail the extent to which funding expenditure to meet the service delivery objectives and/or place making role of that local authority is dependent on achieving the expected net profit. We also must detail the local authority's contingency plans should it fail to achieve the expected net profit.</p> <p>The informal commentary accompanying the statutory Guidance introduces a new requirement that in every local authority sets limits that cannot be exceeded for commercial income as a percentage of net service expenditure.</p> <p>The Council will consider this area in 2019-20 to determine whether such a limit or other measure is appropriate and if so, for which assets, or whether the same control can be achieved another way.</p>
Treasury Investments and Borrowing		
- BREXIT	9	New section, describes the Council's contingency plans for BREXIT.
- Investment Objective	9	Unchanged
- Counterparty limits	9	<p>Increased slightly to reflect increased levels of funds under Treasury Management. New levels are set based on an expected average Treasury balance for 2019-20 of £60m.</p> <p>Previously limits were set here for specified and non-specified investments. This</p>

		<p>has been moved to the non-Treasury section in accordance with paragraph 21 of the MHCLG guidance which restricts the majority of the Regulations to non-Treasury investments and borrowing.</p> <p>Added comment to confirm that, for pooled funds, no maximum period is set as they are intended to be for the long term.</p>
- Business model for holding investments	13	New section. Necessary statement to facilitate the application of IFRS9
- Negative Interest rates	13	New section. This covers the potential for any period of negative interest rates given the present economic uncertainty.
- Treasury Investment Limits	14	<p>Increased in line with the Counterparty limit changes, above.</p> <p>Increased total funds in Money Markets from £20m to £24m. This is based on £6m deposited across four funds. The Council has access to more than four money market funds to allow the best rate to be selected).</p> <p>The overall fund size limit has been reduced from 2% to 0.5% of the fund in line with Arlingclose's recommendations.</p> <p>Pooled funds (excluding LAPF). The limit is increased to allow for up to £35m in total to be invested in external pooled funds (£10m LAPF, £25m other external pooled funds).</p>
- Liquidity Management	15	Unchanged
- Borrowing	15	See comments on sections below
- Borrowing Sources	15	No changes to proposed borrowing sources
- Operational Boundary for External Debt	16	This limit represents the 'day to day' limit for borrowing. It is the amount that the Council does not expect to exceed in its normal course of business. It has been increased to allow for very short term cash-flow borrowing which, whilst not expected, is a normal part of Treasury Management. As a guide the Council collects more than £10m each month in local taxation and the possibility of this income not arriving must be factored into the Council's Treasury strategy.

- Authorised Limit for External Debt	16	This limit has been increased to accommodate the risk that unknowns may occur, and reflecting the increase in the Operational boundary above.
Non-Treasury Investments	17	New section. The new MHCLG guidance considerably widens the definition of an investment. It now covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios. This new section covers these newly included investments.
- Commercial Investments	17	New Section This section is based on the Council's existing protocol on investment opportunities. It also includes an assessment of Fair Value as the new Guidance requires the Council to consider 'security' for the investment as equivalent to whether the current value of the property, if sold, would cover the original investment cost.
- Service investments	18	New Section This covers those loans and guarantees that the Council may provide as part of its wider Local Authority duties. The limits on these investments are considered to be the non-specified investment limits set out in the Strategy (see below)
- Non-Specified Investments	19	Revised section This concept used to apply to Treasury investments but now applies to non-Treasury investments. The Council's previous limit was £55m (total) and this has been reduced to £30m, as maintaining this at £55m appeared excessive since it no longer applies to Treasury Investments.
Risk exposure indicators	20	
- Treasury Management Indicators	20	Unchanged
Security and credit risk	20	Unchanged
Liquidity	20	Unchanged
Maturity Structure of Borrowing	21	Unchanged
Principal Sums Invested for Periods Longer than 364 days	21	Limit increased to allow for further investments in Pooled Funds.
Monitoring the Council's exposure to market and economic risk	21	New indicator proposed to reflect the changing risks relating to investments in external funds. TMP1 also updated to include this updated section.

- Non- Treasury Investments Indicators	22	New section. MHCLG requires the development of a suite of local indicators to allow Councillors and the public to assess a local authority's total risk exposure as a result of its investment decisions.
Other Items	23	Updated training and skills to cover commercial investments.
- Policy on Use of Financial Derivatives	22	Unchanged
- Investment of Money Borrowed in Advance of Need	23	Unchanged but reflects MHCLG guidance
- Investment training	23	Updated to reflect Property and Growth staff professional development activities.
- Investment Advisors	24	Updated to comment on professional advice in respect of Commercial property matters.
- Reporting	24	Updated to reflect the separate reporting routes for Treasury and non-Treasury investments.

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Appendix 2 - Treasury Management Strategy

Treasury Management Policy Statement, Treasury Management Strategy Statement and Annual Investment Strategy for 2018-19

Treasury Management Policy Statement

Treasury management within the Council is undertaken in accordance with the CIPFA Code of Practice for Treasury Management in the Public Services (“the TM Code”).

The Council defines treasury management as:

“The management of the organisation’s financial investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. The analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

The Treasury investment policy objective for this Council is the prudent investment of its treasury balances. The Council’s Treasury investment priorities are security of capital and liquidity of its investments so that funds are available for expenditure when needed. Both the CIPFA Code and the MHCLG guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield.

The Council’s borrowing objective, being debt free and with relatively substantial resources still available for its capital investment spending plans, means that it does not intend to borrow any monies, except for short term cash flow purposes for revenue and capital commitments.

The generation of investment income to support the Council’s spending plans is an important, but secondary objective. Other than income from the Council’s investment in the Local Authority property Fund or other long term pooled funds, returns are generally used to fund one-off expenditure or capital investment.

Treasury Management Strategy Statement

The Council's priority is the security and liquidity of its Treasury investments in accordance with the priorities set out in the CIPFA Code and MHCLG Guidance. Whilst fundamentally risk averse, the Council accepts some modest degree of risk within the limits and counterparty restrictions set out in its [Treasury Management and Investment Strategy](#) and [risk appetite statement](#)

In December 2017 the Chartered Institute of Public Finance and Accountancy's Issued '*Treasury Management in the Public Services: Code of Practice 2017 edition* (the CIPFA Code) which requires the Council to approve a Treasury Management Strategy (TMS) before the start of each financial year.

The Ministry for Housing, Communities and Local Government (MHCLG) updated its guidance on Local Authority Investments in January 2018 (the Guidance). Paragraph 21 of the Guidance makes it clear that, except for the requirement to prioritise Security, Liquidity and Yield in that order of importance, treasury management investments are managed within the principles set out within the CIPFA Code.

The Council's TMS Statement is underpinned by the CIPFA Code and Treasury Management Practices (TMPs) which provide prescriptive information as to how the treasury management function should be carried out.

In accordance with current MHCLG guidance, the Council will be asked to approve a revised Treasury Management Strategy should the assumptions on which this report is based change significantly. Such circumstances may include, for example, a large unexpected change in interest rates, or in the Council's capital programme or in the level of its investment balances.

Treasury Management and Investment Strategy 2019-20

Treasury Investments

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as [treasury management investments](#)),
- to support local public services by lending to or buying shares in other organisations ([service investments](#)), and
- to earn investment income (known as [commercial investments](#) where this is the main purpose).

As at December 2018, the Council held £67.7m of investments as set out in table 1 below

Table 1: Investment Portfolio Position – 31 December 2018.

Investments	£m	Annualised Return %*
Short term Investments (cash, call accounts, deposits)	37.0	0.73
Money Market Funds	6.3	0.58
Corporate Bonds	3.4	0.71
Total Liquid Investments	46.7	0.70
Medium and Long term Investments	3.0	1.65
Pooled funds – Local Authority Property Fund (LAPF)	10.0	4.81
Pooled Funds – Other	8.0	3.58
Total Treasury Financial Investments	67.7	1.70
Commercial Property Investments	7.5	6.7**
Service Investments	0.3	n/a

**returns are income only ** based on return against initial purchase cost*

These investments are expected to fall over the next few months due to the Council's ongoing capital programme and reduced local taxation receipts in February and March

2019. The Council's latest finalised resource projection indicates the following movements in resources, including funds available for investment, over the medium term.

*Table 2: Resource projection to 31 March 2023 (£m)**

	2018 Actual	2019	2020	2021	2022	2023
Reserves:						
• Earmarked and specific	6.0	3.6	1.3	0.1	-	-
• New Homes Bonus	11.1	13.1	12.8	12.6	12.3	12.1
• Asset Replacement	6.6	4.9	5.4	4.9	4.5	4.0
• Capital receipts reserve	0.1	0.6	2.5	5.6	6.3	6.4
• General Fund	14.9	10.1	10.4	10.6	10.8	11.0
Grants and contributions						
• Commuted payments (s.106)	6.4	5.3	5.1	5.0	5.0	5.0
• Disabled Facilities Grants	1.4	0.8	1.4	1.9	2.4	2.8
• General Grants	0.1	0.1	0.1	0.1	0.1	0.1
• Community Led Housing Grant	1.4	0.9	0.3	-	-	-
• Community Infrastructure Levy	5.0	4.5	2.7	1.2	-	-
Total Resources	53.0	43.9	42.0	42.0	41.4	41.4
Internal investments	35.0	25.9	24.0	24.0	23.4	23.4
External Investments	18.0	18.0	18.0	18.0	18.0	18.0
Total Investments	53.0	43.9	42.0	42.0	41.4	41.4
Capital financing requirement (CFR)	-	-	-	-	-	-
External Debt	-	-	-	-	-	-

Apart from a small lease liability for the Council's multi-function printer/copiers, the Council is currently debt free and its capital expenditure plans do not currently imply any need to borrow over the forecast period.

The Council's operational boundary and authorised debt ceilings are set out in tables 6 and 7 and are set at a level that will accommodate possible short-term working capital

requirements only.

CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. As the Council does not expect to incur any debt (other than for temporary cash management purposes) over the next three years, table 2 demonstrates that the Council expects to comply with this recommendation.

Risk Appetite Statement

As a debt free authority the Council's highest priority in its treasury management function is the security of those investments in accordance with the priorities set out in the CIPFA Code. However, whilst fundamentally risk averse, the Council will accept some modest degree of risk

The use of different investment instruments and diversified high credit quality counterparties along with country, sector and group limits, as set out in this Strategy, enables the Council to mitigate the nature and extent of any risks.

Relevant risks are described in Treasury Management Practices (TMP) 1.

When investing surplus cash, the Council will not necessarily limit itself to making deposits with the UK Government and local authorities, but may invest in other bodies including certain unrated building societies, money market funds. The Council may also invest surplus funds through tradable instruments such as gilts, treasury bills, certificates of deposit, corporate bonds and pooled funds. The duration of such investments will be carefully considered to limit that risk of them having to be sold (although they may be) prior to maturity, mitigating the risk of the capital sum being diminished through price movements.

Proportionality

The Council currently builds the following sources of income from investments into its base budget as these sources of income have demonstrated an ability to provide a constant, predictable return over the medium term. The figures are presented here are a proportion of net base budget rather than as a proportion of gross budget as set out in the Code to provide for consistency with the Council's 5 year strategic forecast.

Table 3: Proportionality of Investments (rounded to £x.xm)

	2018/19 Projected	2019/20 Budget	2020/21 Budget	2021/22 Budget
Net budget	13.0	12.1	11.6	11.7
Investment income				

- Treasury investments	0.9	1.0	1.1	1.1
- Commercial Properties	2.8	2.8	2.9	2.9
Proportion	28%	31%	34%	34%

In accordance with professional best practice the Council does not formally value rental income streams further than 12 months in advance. The figures above are estimates based on an average increase of 3% per year. Treasury investment income is inflated by estimated changes in the UK Base Rate as is based on a constant amount invested.

The Council is considering if it is appropriate to set an upper limit on investment income it is able to generate, since this could prevent the Council charging market rents or lending at market interest rates in order to not exceed the limit. If it determines such a specific limit is not appropriate, it will develop an alternative process to monitor and report on the extent that Council spending is underpinned by investment income.

To mitigate the risk on front line services should profit generating investments not achieve planned returns, the Council prepares its 5 year financial strategy in-line with a series of key principles. The key principles are set out in appendix 1 of the Council's financial strategy and are available online via the published papers for the Council's Corporate Governance Committee and Cabinet meetings in November and December.

In accordance with current MHCLG guidance, the Council will be asked to approve a revised strategy should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, or in the Council's capital programme or in the market value of the Council's investments.

Treasury Investments and Borrowing

In line with the Council's [Treasury Management Policy Statement](#), treasury management includes all the activities necessary for:

1. Cash management,
2. Liquidity planning and control; and,
3. Corporate finance, including medium and long term financing and investing.

Successfully identifying, monitoring and controlling risk is the cornerstone of effective treasury management, although the Council acknowledges that effective treasury management also supports the achievement of business and service objectives.

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves

for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities lead to a cash surplus which is invested in accordance with the CIPFA Code.

The balance of treasury management investments is expected to fluctuate between £50m and £70m during the 2019/20 financial year. The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

The Council does not intend to borrow any monies, except for short term cash flow purposes for revenue and capital commitments.

BREXIT

This investment strategy recognises the ongoing uncertainty surrounding the UK's decision to leave the European Union. The timing of the reporting cycle for this strategy requires that the Council consider contingency plans for the eventuality of a hard BREXIT.

The Council has prepared for the possible BREXIT outcomes by increasing the proportion of its portfolio invested with UK Local Authorities. Should liquidity need to be repatriated from EU based money market funds, the Council expects to deposit this with the Government's Debt Management Office (DMO) or UK domiciled banks during any period of uncertainty.

Any decision to repatriate funds will be made by the Council's section 151 officer following consultation with the Council's Treasury Advisor.

Investment Objective

The Council's objective when investing money is to comply with the principles stated in this strategy document, striking an appropriate balance between risk and return in line with the Council's [risk appetite statement](#).

Counterparty limits

The Council may invest its surplus funds with any of the counterparties in table 4 below, subject to the cash limits (per counterparty) and time limits shown.

Table 4: Approved Investment Counterparties

Sector Limits/ Credit Rating	Banks Unsecured¹ £30m	Banks Secured¹ Unlimited	Government Unlimited	Corporates £10m
UK Govt.	n/a	n/a	£ Unlimited 25 years	n/a
AAA	£3m 5 years	£6m 10 years	£6m 10 years	£3m 10 years
AA+	£3m	£6m	£6m	£3m

	5 years	7 years	7 years	7 years
AA	£3m 4 years	£6m 5 years	£6m 5 years	£3m 5 years
AA-	£3m 3 years	£6m 4 years	£6m 4 years	£3m 4 years
A+	£3m 2 years	£6m 3 years	£3m 3 years	£3m 3 years
A	£3m 13 months	£6m 2 years	£3m 2 years	£3m 2 years
A-	£3m 6 months	£6m 13 months	£3m 13 months	£3m 13 months
UK Local Authorities			£6m 10 Years	
None (excludes pooled funds)	£1m 6 months	n/a	n/a	n/a
Pooled Funds	£6m per money market fund (MMF), subject to a maximum of 0.5% of MMF fund value and a total limit of £24m across all MMF £6m per pooled investment fund, to a maximum of £25m (excludes the Local Authority Property Fund). £10m in the Local Authority Property Fund			

- *The limits above have been determined based on an average expected Treasury investment balance of £60m. Service and commercial investments will be subject to individual, separate risk assessment and are considered separately in this strategy.*
- *No maximum investment period is set for pooled funds as they are intended to be for the long term.*

This table must be read in conjunction with the details notes below and the limits stated in table 5

Credit Rating

Investment limits are set by reference to the lowest published long-term credit rating from leading credit rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Banks Unsecured

Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are

subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Operational bank accounts

The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2.5m in total across all operational accounts.

Banks Secured

Covered bonds and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government

Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is a generally a lower risk of insolvency, although they are not risk free.

Corporates

Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made following a credit assessment as part of a diversified pool in order to spread the risk widely.

For corporate bonds, the limits referred to in table 4 will apply to the sum of bond principal (par value) and any premium or discount paid to acquire the bond in the secondary market. The limit will exclude the accrued interest element paid to secure a secondary bond as this is recoverable on maturity of the Bond.

Pooled Funds

Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer

same-day liquidity and very low volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Where investments in pooled funds or other financial assets have prices or values that can vary according to fund performance and other factors, the investment limits in table 5 will operate to regulate the initial purchase cost (total initial investment) only.

Risk Assessment and Credit Ratings

Credit ratings are obtained and monitored by the Council's treasury advisors, who will notify changes in the ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

If in the case of a decision to recall or sell an investment at a cost which is over the approved investment limits, the Council's urgent action procedure in its Constitution would be invoked by officers.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn in a timely manner will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions, and advice from the Council’s Treasury advisor. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Business model for holding investments

Under the new IFRS9 accounting standard, the accounting for certain investments depends on the Council’s ‘business model’ for managing them. The Council aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash-flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

2nd European Union Markets in Financial Investments Directive

The Authority has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority’s treasury management activities, the Director of Corporate Services believes this to be the most appropriate status.

Negative interest rates

If the UK enters into a recession in 2019/20, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Corporate Services believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
-------------	----------------------------------	---------------------------

Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller

Treasury Investment Limits

The Council sets limits on the totals to be invested in any one single entity, group of entities, or investment type. These are set out in Table 5 and apply to all treasury investments.

The Council's uncommitted revenue reserves available to cover investment losses are forecast to be £27m on 31st March 2019. These uncommitted reserves include the following items; General Fund Balance, earmarked revenue reserves and New Homes Bonus, as set out in table 2.

To limit the proportion of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government and LAPF) will be £6 million (25% of available reserves, rounded down). A group of banks under the same ownership or a group of funds under the same management will be treated as a single organisation for limit purposes. Limits will also be placed on investments in brokers' nominee accounts, foreign countries and industry sectors as set out in Table 5. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 5: Treasury Investment Limits

	Cash limit
Any single organisation, except the UK Central Government and the LAPF	£6m each
UK Central Government	Unlimited
Any group of organisations under the same ownership	£6m per group
Pooled funds (excluding MMF and LAPF) under the same management	£6m per manager (other than the Local Authority Property Fund), to a maximum of £25m in total
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£6m per country
Unsecured investments with Building Societies	£6m in total

	Cash limit
Loans to unrated corporates	£2m in total
Money Market Funds	£6m per money market fund (MMF), subject to a maximum of 0.5% of individual MMF fund value and £24m in total
Property Funds (1)	£10m in total

The limit on Property Funds in table 5 does not apply to any element of a multi-asset pooled fund which is subject to the separate limit under 'Pooled funds'

Liquidity Management

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast. To ensure adequate liquidity is maintained, 'worst case' estimates of cash flows are used when considering the Council's medium term investment position.

Borrowing

The Council is currently debt-free and has no borrowing other than that which might occur as part of routine working capital management. Under the Council's current resource projections, there are no plans to borrow to finance new capital expenditure over the medium term but this remains an option if deemed to be prudent.

If it considers it necessary to borrow money, the Council's chief objective will be to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

Short term internal borrowing (for schemes that pay back within the 5 year time frame of the capital programme) can be accommodated without incurring external interest charges, provided the resulting savings are recycled into reserves.

Longer term pay back periods will have to accommodate both the external interest and a minimum revenue provision (MRP) in accordance with the Council's MRP policy.

Borrowing would add pressure on the revenue budget as MRP and interest would become payable. The capacity to make these payments would need to be identified in advance, namely the further efficiency savings generated by the investment in the assets.

Borrowing Sources

The Council may need to borrow money in the short term to cover unexpected cash flow shortages from the following approved sources:

- PWLB and any successor body
- Any institution approved for investments
- Any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the West Sussex Pension Fund)
- Any other UK public sector body

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Leasing
- Hire purchase
- Sale and leaseback

The Council will, where possible, take advantage of the 20 basis points (0.20%) reduction in borrowing costs available from the Public Works Loan Board (PWLB) to those authorities who provide information on their plans for long-term borrowing and associated capital spending.

Operational Boundary for External Debt

The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. If these limits are breached in-year, this will trigger an exception report explaining the circumstances of the breach to Cabinet.

Table 6: Operational boundary for external debt

Operational Boundary	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Borrowing	5	10	10	10
Other long-term liabilities	0	2	2	2
Total Debt	5	12	12	12

Authorised Limit for External Debt

The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe.

The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Table 7: Authorised limit for external debt

Authorised Limit	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Borrowing	10	20	20	20
Other long-term liabilities	0	5	5	5
Total Debt	10	25	25	25

Non-Treasury Investments

The Authority may purchase assets for investment or service delivery purposes and may also make loans and provide guarantees for service and other purposes.

The overall amount that can be committed to investments of this type will be limited by adherence to the Council's overall key financial principles approved for the relevant financial period.

Commercial Investments

The Council may invest in commercial opportunities with the intention of making a profit that will be spent on local public services.

To provide specific guidance on the enhanced scrutiny and assessment of risk required, the Council has approved an investment opportunities protocol. All decisions to make commercial investments will comply with this protocol.

The Council's investment opportunities protocol requires that:

- Acquisitions should be within the District Council's area, or sufficiently close by to be easily managed
- Priority is given to acquisitions which achieve a community or economic benefit and strengthen the local economy
- The acquisition provides an acceptable rate of return for the additional risk taken on, and will not increase the Council's ongoing revenue costs in the longer term

Where necessary, specialist advisers are employed to provide advice and act for the Council for specific transactions.

Security

The Authority will assess the risk of loss before entering into and whilst holding commercial investments by undertaking due diligence in accordance with the Council's protocol on investment opportunities.

In accordance with the Guidance, the Council assesses security for investment properties as maintaining the fair value of the investment property portfolio above the purchase price paid.

A fair value assessment for all commercial investments held by the Council has been undertaken within the last 12 months. Of the six properties owned by the Council for investment purposes, their total market value was assessed at £11.8m on 31 March 2018, approximately £0.6m above the total initial purchase cost.

Within this, three of the properties had a fair value that was below the initial purchase cost. The estimated unrealised loss for two is £30,000 each, equivalent to 2% of their fair value. For the final property, the unrealised loss is £210,000 or 5% of the purchase cost.

Whilst it is possible that the fair value of these investment properties would not provide security against loss this would only occur if the Council were forced to sell these properties. Property is a long term asset and the Council only invests once it is satisfied that the asset can be held over a period longer than 5 years and does not borrow to fund the purchase.

The Council is satisfied that the true market value of these properties provides adequate security for the investment of public funds.

Liquidity

Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. Because of this, the Council only invests in non-treasury assets where strategic forecasts indicate the asset can be held over an appropriate timeframe.

The Council does not borrow to finance non-treasury investments and therefore has no need to generate cash to repay borrowing. It recognises that unforeseen events can occur and maintains both a short term and medium term (five year) cashflow forecast which it expects will give the Council sufficient notice of any need to liquidate any non-treasury investments.

The Council also holds a minimum free cash balance of £5m at any one time.

Service investments

The Council may choose to make loans or provide guarantees to local enterprises, local charities and other entities as part of a wider strategy for local economic growth and to support its Corporate Priorities.

The Council manages the risk of any loan and guarantee by ensuring that total exposure is proportionate to the Council's revenues and revenue reserves to ensure that there is adequate cover in the event of a default or call on the guarantee.

Where service loans are made, or loan facilities agreed, the total exposure will be limited to the funding approved for this purpose in advance by the Council's Cabinet.

The Authority has guaranteed the possible pension liabilities associated with TUPE and other transfers of staff from public to private sector where staff have remained within the Local Government Pension Scheme (LGPS). The provision of this guarantee was a requirement of the LGPS administering body and the risk is mitigated by a bond which is intended to cover all but the most extreme likely financial exposure.

The decision to provide any loan or guarantee will be determined in accordance with the governance arrangements established by the Council's Constitution.

Non-Specified Investments

From 2018, the additional monitoring requirements for non-specified investments are only applicable to non-treasury investments as per paragraph 21 of the Guidance. The Council has a number of long term treasury investments that have previously been classified as non-specified investments but are now considered to be outside the scope of this updated requirement.

The Guidance defines non-specified investments as any non-treasury investment that does not meet the following criteria:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+.

If the need arises to make a non-specified investment, this will comply with the investment upper limits both individually and cumulatively specified in this investment strategy in table 7, below.

Table 8: Non-Specified Investment Limits

Limits (excluding Treasury Investments)	Cash limit (£m)
Total medium and long-term investments	20
Total investments without credit ratings or rated below A- (except UK Government and local authorities)	20
Total non-specified investments	30

For clarity, these limits do NOT apply to Treasury Investments.

Risk exposure indicators

The Council measures and manages its exposures to investment risk by employing the indicators below.

Treasury Management Indicators

The Council will use the voluntary measures set out below to measure its exposure to risk

Security and credit risk

Table 9: Security risk indicators

Measure	Target
Average Credit Score (time-weighted)	Less than the average of other District Councils (AAA=1, D=24)*
Average Credit Rating (time weighted)	Maintain below the time weighted average of other District Councils
Proportion Exposed to Bail-in (%)	Less than the average of other District Councils
Fair Value of external funds	Overall positive fair value (market value less purchase consideration) over any rolling three year period

Liquidity

Officers will continue to manage the Council's treasury management investments ensuring that sufficient cash is available to accommodate known payments. In the unlikely circumstance that a large unexpected cash payment is required and the Council does not have sufficient liquidity immediately available, the Council will use its facility to borrow temporarily for cash management purposes.

Table 10: Liquidity risk indicators

Measure	Target
Proportion of investments available within 7 days (%)	Compare and explain against District Council average
Proportion available within 100 days (%)	Compare and explain against District Council average

Average days to maturity	Compare and explain against District Council average

Maturity Structure of Borrowing

As the Council is debt free it currently holds no fixed long term borrowing for which a maturity profile exists.

Principal Sums Invested for Periods Longer than 364 days

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments in response to adverse economic or market conditions or credit rating downgrades.

Table 11: Limits on investment periods (£m)

	2019/20	2020/21	2021/22
Limit on principal invested beyond year end	50	50	50

Monitoring the Council's exposure to market and economic risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its investments, although the effects on the Council of such movements are not considered to be material as the majority of sums invested are at fixed interest rates for short periods. Of much more significance is the risk of property price movements and interest rate risk relating to the Council's investment in external pooled funds.

To measure the significance of these risks, the Council calculates the effect of a 1% change in interest rates and a 5% change in property prices on the Fair Value of the external funds when preparing its Statement of Accounts.

It will compare these figures against the individual counterparty limits set out above in table 4, which are seen as representative of a measure of the maximum amount that the council is willing to risk.

A Treasury exception will be reported to Cabinet where the interest rate risk exceeds 50% the Council's individual Counterparty limit (£3m).

For comparison, as at 31 March 2018, the position was as follows.

Table 12: Exposure to economic risk (£m)

	1% change in Interest rates £m	5% change in equity prices	5% change in property prices
Long term deposits (£3m)	0.07	-	-

Pooled funds (£17.5m)	0.15	0.07	0.46
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Non-Treasury Investments Indicators

The Council will use the voluntary measures set out below to measure its exposure to risk associated with non-treasury investments

Table 13: Non-Treasury investment risk indicators

Measure	Risk/ Measure
Commercial income to net service expenditure (NSE)	This indicator measures the Council's dependence on income from its commercial investments to deliver core services.
Net operating surplus	This indicator measures the contribution received from the investment portfolio at a net level (income less costs) over time.
Vacancy levels and tenant exposure	Monitoring vacancy levels (voids) to ensure the property portfolio is being managed productively.
Exposure to credit default events for loans made	This will measure the Council's exposure to loss through default for non-treasury loans made to third parties.
Market Value of commercial properties	This indicator will track the Council's ability to recover its investment in any commercial investment should the need so arise

Other Items

There are a number of additional items that the Council is obliged by CIPFA or MHCLG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to.

Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Investment of Money Borrowed in Advance of Need

Although not envisaged at this stage, the Council may, exceptionally, borrow in advance of need, where this is expected to provide the best long term value for money. Any borrowing in advance of need will comply with the MHCLG Guidance.

Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit as set out in table 7. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Investment Training

To address the training need of members, training will be provided to members of both Cabinet and the Corporate Governance and Audit Committee in advance of them considering the forthcoming year's strategies.

Member and officer training is an essential requirement in terms of understanding roles, responsibilities and keeping up to date with changes and in order to comply with the CIPFA Treasury Management Code of Practice.

The training needs of the officers involved on treasury management are identified through the annual performance and development appraisal process, and additionally when the responsibilities of individual members of staff change. Staff attend relevant training courses, seminars and conferences.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Staff involved in non-Treasury investments and commercial property purchases attend training, Continuing Professional Development and networking events and generally follow the market to keep abreast of current trends and values. The Team is represented at meetings of ACES (Association of Chief Estates Surveyors and Property Managers in the public Sector) which provides a forum for networking and sharing property information.

Investment Advisers

The Council currently contracts with Arlingclose Limited as its treasury management adviser and receives specific advice on investment, debt and capital finance issues. However, responsibility for final decision making remains with the Council and its officers. The contract runs until 30 June 2022.

The quality of this service is controlled and monitored against the contract by the Financial Services Divisional Manager.

Property Investments are undertaken in accordance with the Investment Opportunities Land and Property Sub Category . Investment advisors are appointed on a risk basis.

Reporting

Treasury investments

The Council/Cabinet will receive as a minimum:

- An annual report on the strategy and plan to be pursued in the coming year and on the need to review the requirements for changes to be made to the Treasury Management Strategy Statement.
- A mid-year review
- An annual report on the performance of the treasury management function, on the effects of decisions taken and the transactions executed in the past year, by 30th September in the next financial year, including any circumstances of non-compliance with the organisation's treasury management policy statement and Treasury Management Practices.

The body responsible for scrutiny of treasury management policies and practices is the Corporate Governance and Audit Committee. Monitoring reports on Treasury performance and compliance with this strategy will be prepared and presented to this Committee as a minimum for the half year to September and the full year to March.

The Leader of the Council, the Cabinet Member for Corporate Services and the members of the Corporate Governance & Audit Committee receive weekly monitoring reports of the investments held. Corporate Governance & Audit Committee will receive half yearly monitoring reports.

Non-Treasury Investments

For commercial investments, the Council's Commercial Board and Cabinet will receive reports on performance and risk each year. Approval for investments and reporting on them, will be in line with the Council's protocol on investment opportunities.

For service investments, the reporting process will comply with the Council's Constitution on a case by case basis.

Appendix A – Economic and interest rate forecast – November/ December 2018

The following has been provided by Arlingclose Ltd

The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon, but recent events around Brexit have dampened interest rate expectations. Our central case is for Bank Rate to rise twice in 2019, after the UK exits the EU. The risks are weighted to the downside.

Gilt yields have remained at low levels. We expect some upward movement from current levels based on our central case that the UK will enter a transitional period following its EU exit in March 2019. However, our projected weak economic outlook and volatility arising from both economic and political events will continue to offer borrowing opportunities.

	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
Official Bank Rate													
Upside risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Ca	0.75	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Downside risk	0.00	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Underlying assumptions:

- Central interest rate forecasts are predicated on there being a transitional period following the UK's official exit from the EU
- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider that: 1) tight labour markets will prompt inflationary pressure in the future, 2) ultra-low interest rates result in other economic problems, and 2) higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise.
- Both our projected outlook and the increase in the magnitude of political and economic risks facing the UK economy means we maintain the significant downside risks to our forecasts, despite the potential for slightly stronger growth next year as business investment rebounds should the EU Withdrawal Agreement be approved. The potential for severe economic outcomes has increased following the poor reception of the Withdrawal Agreement by MPs. We expect the Bank of England to hold at or reduce interest rates from current levels if Brexit risks materialise.
- The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in the middle quarters of 2018, but more recent data suggests the economy slowed markedly in Q4. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens
- Cost pressures are easing but inflation is forecast to remain above the Bank's 2% target through most of the forecast period. Lower oil prices have reduced inflationary pressure, but the tight labour market and decline in the value of sterling means inflation may remain above target for longer than expected

- Global economic growth is slowing. Despite slower growth, the European Central Bank is conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. More recent US data has placed pressure on the Federal Reserve to reduce the pace of monetary tightening – previous hikes and heightened expectations will, however, slow economic growth.
- Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets

Capital Strategy 2019/20 to 2023/24

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Introduction

This capital strategy provides a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local services and how associated risk is managed by the council.

Our Strategic Aims & Objectives

A new Corporate Plan was approved on 23 January 2018 and runs until 31 March 2021. The priorities set out in the new plan represent the challenges and opportunities facing Chichester District Council over the new plan period.

Our priorities are to:

- Improve the provision of and access to suitable housing.
- Support our communities.
- Manage our built and natural environments to promote and maintain a positive sense of place
- Improve and support the local economy to enable appropriate local growth
- Manage the council's finances prudently and effectively

Each of these priorities is underpinned by several objectives, setting out what the Council aims to achieve. Below these objectives sit further, more specific, actions the council will undertake and, where appropriate, these are accompanied by specific, measurable targets

The council has a 5 year medium term financial strategy and a 5 year capital programme (with 5 year revenue implications) that links the estimated available resources directly to the corporate priorities. Annual reviews occur as part of the budget process and Council makes amendments in the light of revisions to the Corporate Plan and the Performance Plan following detailed consultation with the public and partners.

Beneath these overarching documents, the Capital Strategy and the Council's Asset Management Plan (AMP) provide the policy framework for the operational work of asset management, asset acquisition and disposal.

Approval process

The Council approves a capital programme on recommendation from the Council's Cabinet. This programme consists of significant projects that qualify as capital expenditure and a planned programme of scheduled asset replacements (ie; the Asset Replacement Programme or ARP).

The Council follows the following key principles in determining its capital priorities:

1. All key decisions of the Council should relate back to the Corporate Plan
2. The revenue budget and capital programme must remain balanced and sustainable over a rolling 5 year period.
3. The Council will not use its reserves to fund ongoing services.
4. Savings in the revenue budget or external funding are identified before any new revenue expenditure, including capital expenditure that has revenue consequences, is approved.

Cabinet is responsible for the acquisition, management, maintenance and disposal or letting of all Council properties together with review and implementation of the Council's Asset Management plan and this Capital Strategy.

The Director of Corporate Services is responsible for providing professional advice to Cabinet and Council in the discharge of these functions, together with making arrangements for raising and repaying loans as necessary and overall treasury management of funds until they are needed.

Our Assets

The Council's asset base at 31 March 2018 was



Capital Programme

In 2018-19 the Council is planning to spend £14.0m on capital assets. This was part of an overall planned programme of £51.1m in the period 2018-19 to 2023-24, that includes the following major schemes

Table 1: Capital programme and major schemes 2018-19 to 2023-24 £m

Capital Expenditure	2018-19 Projected	2019-20	Later	Total
Total approved spend	14.0	8.9	28.2	51.1
Major schemes				
New Homes Bonus allocations	0.4	0.4	6.1	6.9
Disabled Facilities grants	1.5	1.3	3.7	6.5
Affordable and Community led Housing	1.4	1.4	5.4	8.2
St James's Industrial Estate	-	0.2	5.0	5.2
Southern Gateway Project	5.0	0.1	-	5.1
Infrastructure Business Plan: School Places	-	1.2	2.4	3.6
Infrastructure Business Plan: Sustainable Transport	-	0.5	0.4	0.9
Infrastructure Business Plan: Medical Centre West Chichester	-	1.3	-	1.3

Affordability

The Council recognises that, due to its nature, the capital programme is constantly changing, so the resource position is regularly updated and monitored to ensure that the programme remains affordable. The Council's latest resource projection is shown below.

Table 2: Resources available to finance our Capital programme (£m)

Resources 2019-20 to 2023-24	Total
Expected available resources as at 1 April 2018(*)	23.9
New Resources expected in period	
- Capital receipts	9.4
- Revenue contributions	
o Asset replacements/Investment Opportunities Fund	8.6
o Interest receipts	2.0
- Other external income	
o Grants, contributions and CIL	26.9
o Other receipts	1.1
Available Resources	71.9

* "Expected available resources" is Total Reserves less Reserves set aside for a specific purpose

As table 2 indicates, the Council currently expects capital resources of £71.9m to be available. The total expected capital expenditure over the same period is shown below.

Table 3: Planned application of resources to capital projects (£m)

	2018/19 Expected	2019/20 Budget	Later	Total
External sources				
- Grants and contributions	2.2	1.9	5.6	9.7
- LEP	4.5	-	-	4.5
- Section 106 contributions	1.1	0.2	0.1	1.4
- Community Led Housing Grant	0.3	0.5	0.6	1.4
Own resources				
- Revenue reserves and financing	4.3	2.6	8.2	15.1
- Capital receipts	1.2	1.4	2.0	4.6
- New Homes Bonus	0.4	0.4	6.1	6.9
Community Infrastructure Levy	-	1.8	5.7	7.5
Debt	0.0	0.0	0.0	0.0
TOTAL	14.0	8.8	28.3	51.1
Expected total external debt	0.0	0.0	0.0	0.0
Expected capital financing requirement	0.0	0.0	0.0	0.0

Tables 2 and 3, taken together demonstrate that the Council currently expects to be able to fully fund its approved capital and asset replacement programmes from existing and expected resources. Fully funding our capital programme and asset replacement programme from our own resources means that the Council also expects to remain debt free over this period.

The main risk managed by the Council is that the expected resources shown in the table above will not be received, or will be received significantly later than forecast.

The receipt of capital resources is closely monitored by the Council's finance and estates teams and the Commercial Programme Board and is regularly reported to the Portfolio holder for Corporate Services and to Cabinet. An annual statement on resource projections against capital needs is included with the Council's financial strategy that is presented each year to full Council for approval.

Guidance issued by the Government requires all Councils to be transparent where they plan to use capital receipts flexibility to part fund individual projects. As the Council currently makes significant revenue contributions to fund its capital programme, the Council presently does not intend to make use of this flexibility.

The Director of Corporate Services is satisfied that the proposed capital programme is prudent, affordable and sustainable and this is set out in more detail in the Council's 5 year financial strategy.

Other major future developments

The capital strategy recognises the impact of future projects not presently included in the Council's capital programme, but which have a potentially significant impact on Council resources. One such project is the Southern Gateway, as described below.

Southern Gateway

The Southern Gateway is the biggest regeneration project that the city has seen for decades. In November 2017 our councillors adopted the Southern Gateway Masterplan which sets out the basis on which the area can be comprehensively regenerated.

At the moment, the site includes several parcels of land:

- the bus station and depot
- Basin Road car park
- law courts
- part of the former Chichester Police Station playing field
- part of the former high school, and
- the Royal Mail depot buildings.

The project will involve transforming this mainly 30-acre brownfield area into a vibrant and attractive new southern quarter for the city of Chichester. It is the one of the biggest redevelopment projects undertaken in a generation within Chichester and the Council is working in partnership with West Sussex County Council and Homes England to bring this development forward.

The Council expects the opportunity will be taken to the market via an OJEU compliant process with a development partner being selected in 2019.

Managing our assets

To ensure that capital assets continue to be of long-term use, the Council has an asset management Plan (AMP) which provides the policy framework for the operational work of asset management, asset acquisition and disposal.

Asset Replacement

The Council recognises that it is not sufficient to simply provide for the initial purchase cost of capital assets. Investment in assets requires a long-term view to be taken of the cost of those assets across their entire lifespan.

The Council's revenue budget incorporates repairs and maintenance to council buildings, removing dependency on reserves to fund what is a recurring revenue cost. Commercial investments are let on fully repairing and insuring lease terms to protect the Council's assets.

Other lifecycle costs for all Council assets are forecast for 25 years and included in the Council's approved Asset Replacement Programme (ARP). An annual contribution from the Council's revenue budget to fund this programme is made equating to one 25th of the projected total ARP cost.

Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account and where it is economical to borrow in advance of spend.

In addition its cash surplus balances, the Council has £7.5m of recently purchased property investments (at 30 September 2018) earning an average rate of return of 6.7%.

In managing these funds, the Council has adopted the following risk statement

“The Council's priority is the security and liquidity of its Treasury investments in accordance with the priorities set out in the CIPFA Code. Whilst fundamentally risk averse, the Council accepts some modest degree of risk within the limits and counterparty restrictions set out in its Treasury Management and Investment Strategy.”

This means that, when investing its surplus cash, the Council does not limit itself to making deposits only with the UK Government and local authorities, it can, and does, invest in other areas such as money market funds and tradable instruments such as corporate bonds and pooled funds. The duration of such investments is always carefully considered to limit that risk of them having to be sold (although they may be) prior to maturity, mitigating the risk of the capital sum being diminished through price movements.

Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Director of Corporate Services and staff, who must act in line with the treasury management strategy approved by Council. Half yearly on treasury management activity are presented to the Corporate Governance and Audit Committee and Cabinet.

Investments

Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management. The Council's business model for holding treasury investments is designated as 'hold to collect', in that that Council holds these financial assets to collect their contractual cash flows, rather than with a view to selling the assets to generate cash flows. However, there is no absolute

requirement that financial assets are always held until their maturity in all circumstances.

The Council prioritise security and liquidity over yield in holding Treasury investments. That is, it focusses on minimising risk rather than maximising returns.

Cash that is likely to be spent in the near term is invested securely to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments can be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 4: Forecast treasury management investments in £m (31 March)

	2019	2020	2021	2022	2023
Near-term investments	25.9	24.0	24.0	23.4	23.4
Longer-term investments	18.0	18.0	18.0	18.0	18.0
TOTAL	43.9	42.0	42.0	41.4	41.4

These figures do not account for any delays in timing of capital payments. Delays generally increase the available cash balances temporarily above forecast levels.

Borrowing

The Council is currently debt-free and has no borrowing other than that which might occur as part of routine working capital management. Under the Council’s current resource projections, there are no plans to borrow to finance new capital expenditure over the medium term but this remains an option.

The Capital Financing Requirement (CFR) is a measure of the Council’s underlying need to borrow to fund capital expenditure. The Council currently expects to have a zero CFR at 31 March 2019 and for this continue at zero throughout the period to 31 March 2023, although our projections below incorporate some potential for borrowing should the need arise.

The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each of the following three financial periods. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Table 5: Proposed Operational and authorised limits for borrowing (£M)

	2019/20	2020/21	2021/22
Operational Boundary – borrowing	5	5	5
Operational Boundary– PFI and leases	2	2	2
Operational Boundary– total external debt	12	12	12
Authorised Limit – borrowing	20	20	20
Authorised Limit– PFI and leases	5	5	5
Authorised Limit– total external debt	25	25	25

Further details on borrowing are contained in the Council the treasury management strategy: <http://www.chichester.gov.uk/article/24169/Treasury-Management-Strategy>. The limits in this table are provisional until the 2019-20 strategy is approved by Full Council.

Liabilities

Decisions on incurring new discretionary liabilities are taken by Divisional Managers in consultation with Director of Corporate Services and within the limits established by the Council’s Constitution and Treasury and Investment strategy. The risk of liabilities crystallising and requiring payment is monitored by financial services.

Further details on liabilities, contingent liabilities and guarantees are can be found in the Council’s statement of accounts:

<http://www.chichester.gov.uk/statementofaccounts>

Interest Rate Exposures

The Council is not exposed to risk associated with the maturity structure of borrowing, but recognises that its Treasury investments are subject to risk from movements in interest rates. The Council manages this risk by ensuring an appropriate mix of short term fixed and variable rate investments and a portfolio of external investments in pooled funds.

Impact on Council tax

Although capital expenditure is not charged directly to the revenue budget, a Minimum Revenue provision (MRP) is charged to revenue, offset by any investment income receivable. MRP charge is a set aside from council reserves to ensure that borrowing can be repaid when due and the overall net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

As the Council is, and expects to remain, debt free, the Council is not required to make a charge to revenue to finance debt (minimum revenue provision).

Further details on the revenue implications of capital expenditure are published with the Council's revenue budget which is considered each year by Cabinet and Full Council.

Service investments

The Council has made a very limited number of loans to assist local public services and residents, generally for housing renewal purposes. Some loans have been made to members of staff for transport purposes. Decisions on minor loans are made by the relevant service manager in consultation with the Director of Corporate Services.

The Council is presently developing proposals to support the provision of temporary housing in the District. If approved this will allow funds of up to £2.1m to be used to support specific local groups.

The total value of loans made by the Council to external third parties is disclosed on the Council's annual statement of accounts. Further details on service investments are within the Council's investment strategy, which is published with the Council's Treasury management strategy:

<http://www.chichester.gov.uk/article/24169/Treasury-Management-Strategy>.

Commercial Activities

The Council's existing property portfolio generates income of approximately £3 million per year for the General Fund revenue account.

This income comprises rents and licence fees principally from 49 industrial units, 72 commercial and industrial ground leases, 41 shops, 13 offices and other lettings to sports, community and voluntary organisations.

Capital investment is likely to take 3 main forms.

- Freehold or Long Leasehold Purchases
- Commercial development of property with the Council retaining ownership and receiving rental income.
- Partnerships where another party undertakes the development and the Council (as landowner) receives a proportion of the rental value.

Land and property acquisition and development is also a means of influencing regeneration and the economic development within the District. Therefore while one objective may be to increase the financial resources the Council has available, appropriate investment can also extend service delivery or provide community improvement generally.

For these reasons the Council gives priority to acquiring property in the Chichester District, albeit opportunities to acquire properties elsewhere are considered if a justifiable case exists for doing so.

The Council aims to acquire land and property for the longer term (10 years or more) to reap the benefit of sustained rental income and capital appreciation as land and property values recover from the effects of economic downturn in recent years.

There is a recognition that, in undertaking investments primarily for financial return, the Council needs to ensure that these decisions are subject to enhanced decision making and scrutiny as a result of the additional risk being taken on and the potential impact on the sustainability of the authority. The principal risk exposures in commercial property-based revenue strategy are:

- A downturn in the property market. This could lead to falling rents or higher vacancies, potentially meaning that the Council will need to find other sources of revenue, or reduce costs to balance its budgets. Its scenario could also lead to falling property values, with a risk that the asset would be worth less than the purchase price.
- Government intervention to set limits on commercial activities. This would force the Council to react, which may be against the Council's long term interests.
- Lack of expertise in specialist areas, leading to poor acquisition decisions.

To provide specific guidance on the enhanced scrutiny required, the Council has approved an investment opportunities protocol. The guidance includes requirements that:

- Acquisitions should be within the District Council's area, or sufficiently close by to be easily managed
- Priority is given to acquisitions which achieve a community or economic benefit and strengthen the local economy
- The acquisition provides an acceptable rate of return for the additional risk taken on, and will not increase the Council's ongoing revenue costs in the longer term
- Where necessary, Specialist advisers are to be employed to provide advice and act for the Council

Investment purchases are evaluated using a scoring matrix approach, with a minimum score required of least 100 out of a maximum score of 168 (60th percentile). The score reflects, amongst other things, tenancy strength, tenure, occupiers lease length and repairing terms.

Decisions on commercial investments are made by Cabinet in line with the criteria and process set out in the Council's investment opportunities protocol.

Further details on investment limits and risk management arrangements are contained in the Council's investment strategy and Treasury management strategy: <http://www.chichester.gov.uk/article/24169/Treasury-Management-Strategy>

Other long-term liabilities

Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees do carry risks to the Council and as such, they are subject to separate risk mitigation procedures before they are entered into.

The only guarantees provided by the Council relate to possible pension liabilities associated with TUPE transfers of staff from public to private sector where staff have remained within the Local Government Pension Scheme.

In these circumstances the provision of a guarantee is a requirement of the Pension Fund. The financial risk of each guarantee is mitigated by a bond which is intended to cover all but the most extreme possible financial exposure.

Other than to cover mandatory requirement under the Local Government Pension Scheme, the Council does not expect to provide financial guarantees to, or on behalf of, any third party.

The Council expects to hold £5.3m in s.106 contributions at 31 March 2019. These sums are held to pay for planning obligations but are potentially repayable if projects do not proceed as expected.

Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, both the Divisional Manager for Property & Growth and the Valuation & Estates Manager are chartered surveyors and registered valuers, with extensive professional experience.

The Council currently employs Arlingclose Limited as Treasury Management advisers, and individual property consultants for cases where specialist property advice is required such as major development schemes. It has also elected where possible to be treated as a professional investor under the requirements of the 2nd European Union Markets in Financial Instruments Directive.

TREASURY MANAGEMENT PRACTICE NOTES

TMP 1 – RISK MANAGEMENT

General Statement

The Section 151 Officer will oversee the design, implementation and monitoring of all arrangements for the identification, management and control of treasury management risk. The Section 151 Officer will ensure that reports are presented at least annually, on the adequacy/suitability thereof and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the Council's objectives.

In respect of each of the following risks, the arrangements that seek to ensure compliance with these objectives are set out in this document and take into account the risk appetite statement in the Council's Treasury Management Strategy Statement, available via the following link:

<http://www.chichester.gov.uk/article/24169/Treasury-Management-Strategy>

This document is integral to the Council's treasury management practices and all staff involved in treasury management activities should familiarise themselves with its contents.

Overall approach

The Council has adopted a set of locally tailored risk indicators that it feels provides a balanced picture of the following risk areas

- Security and credit risk
- Liquidity
- Principal periods invested for greater than 364 days
- Exposure to market and economic risk
- Non-treasury investment risk

Each of these indicators is prescribed in the Council's annual Treasury and Investment Strategy and they will be monitored and reported in line with the procedures described in TMP6.

Credit and Counter party risk management

This risk is the risk of a third party failing to meet its contractual obligations (for example, to pay any investment money or interest back in full, on time).

Statutory guidance restricts the types of investments that local authorities can use and forms the structure of the Council's policy, which is contained in the Council's treasury management strategy.

The Council's key objective is to invest prudently, giving priority to security, then liquidity before yield.

The Council also has regard to the CIPFA publications Treasury Management in Public Services: Code of Practice and Cross-Sectoral Guidance Notes and the sector specific guidance; Guidance Notes for Local Authorities including Police Authorities and Fire Authorities.

The Council ensures that its counter party lists and limits;

- reflect a prudent attitude towards organisations with whom funds may be deposited, and
- restrict investment activities to the instruments, methods and techniques referred to in the Council's Treasury Management Strategy, published at the link above.

The Council also maintains a formal counter party policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing or derivative arrangements. This is contained within the Council's Treasury management policy statement and approved each year by the Council.

Monitoring Investment Counterparties

The assessment of credit worthiness or credit rating of investment counterparties will be monitored regularly.

The Council obtains credit rating information from its treasury advisers who monitor leading credit agencies and notify the Council of any changes in ratings as they occur. This includes and takes account of changes, ratings watches and rating outlooks as necessary.

The Council has established counterparty limits by sector and credit rating and compliance with these limits is reviewed before any investment decision is made.

In considering credit rating, the lowest rating issued by three main agencies (above) is used, unless an investment-specific rating is available when this will be used.

The Council considers other possible sources of information available to assess the credit worthiness of counterparties. This includes information direct from brokers, , news agencies and its treasury advisers monitoring the Credit Default Swaps (CDS) market.

On occasions ratings may be downgraded after an investment has been made, however, the criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest.

Any counterparty failing to meet the criteria or due to adverse information in the public domain, will be removed from the approved list immediately by the Section 151 Officer, and if required new counterparties which meet the criteria will be added to the list.

Liquidity Risk Management

This risk is the risk that cash will not be available when needed

The Council ensures it has adequate though not excessive cash resources, borrowing arrangements, overdraft facilities to enable it at all times to have a level of funds available to it which are necessary for the achievement of its business/service objectives.

The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme.

To maintain flexibility and liquidity the Council determines a maximum amount of principal that can be invested for periods longer than 364 days and closely monitors known future cash demands. To ensure adequate liquidity is maintained, 'worst case' estimates of cash flows are used when considering the Council's medium term investment position.

The Council has also set an operational boundary for external debt that can be used on a short term basis for daily cash management purposes.

Interest rate risk management

This risk is the risk of fluctuations in interest rates creating unexpected and unbudgeted burdens on Council finances

The Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 (Reporting requirements and managing information arrangements).

The effects of varying levels of inflation, so far as they can be identified, will be controlled by the Council as an integral part of its strategy for managing its exposure to inflation.

It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, to create stability and certainty of costs and revenues, whilst retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates.

To achieve this objective the following specific policies are followed:

- maintaining the Council's debt free position and undertake no new borrowing unless the business case is proven for 'invest to save' projects
- retaining an appropriate minimum level of reserves in order to maintain flexibility in the use of interest earned from deposits
- lending surplus funds only to approved counterparties as specified by the Council's Treasury Management Strategy
- minimising short term borrowing by efficient cash flow management
- ensuring that the use of any hedging tools such as derivatives are only used for the management of risk and prudent management of the financial affairs of the council, as set out in the Council's Treasury Management Strategy

Exchange rate Risk Management

The Council does not invest in foreign denominations but does occasionally make payments to foreign suppliers. In so doing we will manage our exposure to fluctuations in exchange rates to minimise any detrimental impact on budgeted income expenditure levels.

Any large contracts let by the Council must be denominated in £Sterling and the Section 151 Officer consulted on any proposed departure from this policy.

Refinancing risk management

The Council will ensure that any borrowing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies are managed, with a view to obtaining offer terms for renewal or refinancing, which are competitive and as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationship with counter parties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

Monitoring the Council's exposure to market and economic risk (new section for 2019-20]

The Council is exposed to risk in terms of its exposure to interest rate movements on its investments, although the effects on the Council of such movements are not considered to be material as the majority of sums invested are at fixed interest rates for short periods.

Of much more significance is the risk of property price movements and interest rate risk relating to the Council's investment in external pooled funds.

To measure the significance of these risks, the Council calculates the effect of a 1% change in interest rates and a 5% change in property prices on the Fair Value of the external funds when preparing its Statement of Accounts.

It will compare these figures against the individual counterparty limits set out in its Treasury Management Strategy, which are seen as representative of a measure of the maximum amount that the council is willing to risk.

A Treasury exception will be reported to Cabinet where the interest rate risk exceeds 50% the Council's individual Counterparty limit (£3m).

Appendix 5 – Treasury Management Glossary

Amortised Cost Accounting	Values the asset at its purchase price, and then subtracts the premium/adds back the discount linearly over the life of the asset. The asset will be valued at par at its maturity.
Authorised Limit (Also known as the Affordable Limit)	A statutory limit that sets the maximum level of external borrowing on a gross basis (i.e. not net of investments) for the Council. It is measured on a daily basis against all external borrowing items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities).
Balances and Reserves	Accumulated sums that are maintained either earmarked for specific future costs or commitments or generally held to meet unforeseen or emergency expenditure.
Bail - in Risk	<p>Following the financial crisis of 2008 when governments in various jurisdictions injected billions of dollars into banks as part of bail-out packages, it was recognised that bondholders, who largely remained untouched through this period, should share the burden in future by making them forfeit part of their investment to "bail in" a bank before taxpayers are called upon.</p> <p>A bail-in takes place before a bankruptcy and under current proposals, regulators would have the power to impose losses on bondholders while leaving untouched other creditors of similar stature, such as derivatives counterparties. A corollary to this is that bondholders will require more interest if they are to risk losing money to a bail-in.</p>
Bank Rate	The official interest rate set by the Bank of England's Monetary Policy Committee and what is generally termed at the "base rate".
Basis Point	A unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent). In most cases, it refers to changes in interest rates and bond yields . For example, if interest rates rise by 25 basis points, it means that rates have risen by 0.25% percentage points. If rates were at 2.50%, and rose by 0.25%, or 25 basis points, the new interest rate would be 2.75%. In the bond market, a basis point is used to refer to the yield that a bond pays to the investor. For example, if a bond yield moves from 5.45% to 5.65%, it is said to have risen by 20 basis points. The usage of the basis point measure is primarily used in respect to yields and interest rates, but it may also be used to refer to the percentage change in the value of an asset such as a stock.
Bond	A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the time of issue of the bond. The repayment date is also set at the onset but can be traded during its life, but this will affect the price of a bond which may vary during its life.
Capital Expenditure	Expenditure on the acquisition, creation or enhancement of capital assets.

Capital Financing Requirement (CFR)	The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need.
Certainty Rate	The government has reduced by 20 basis points (0.20%) the interest rates on loans via the Public Works Loan Board (PWLB) to principal local authorities who provide information as specified on their plans for long-term borrowing and associated capital spending.
CD's	Certificates of Deposits with banks and building societies
Capital Receipts	Money obtained on the sale of a capital asset.
Constant Net Asset Value (CNAV)	These are Money Market Funds which maintain a stable price of £1 per share when investors redeem or purchase shares which mean that that any investment will not fluctuate in value
Corporate Bonds	Corporate bonds are bonds issued by companies. The term is often used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies.
Counterparty List	List of approved financial institutions with which the Council can place investments with.
Covered Bond	Covered bonds are debt securities backed by cash flows from mortgages or public sector loans. They are similar in many ways to asset-backed securities created in securitisation, but covered bond assets remain on the issuer's consolidated balance sheet (usually with an appropriate capital charge). The covered bonds continue as obligations of the issuer (often a bank); in essence, the investor has recourse against the issuer and the collateral, sometimes known as "dual recourse."
CPI	Consumer Price Index – the UK's main measure of inflation
Credit Rating:	Formal opinion by a registered rating agency of a counterparty's future ability to meet its financial liabilities; these are opinions only and not guarantees
Department for Communities and Local Government (DCLG)	The DCLG is the UK Government department for Communities and Local Government in England. It was established in May 2006 and is the successor to the Office of the Deputy Prime Minister, established in 2001
Debt Management Office (DMO)	The DMO is an Executive Agency of Her Majesty's Treasury and provides direct access for local authorities into a government deposit facility known as the DMADF . All deposits are guaranteed by HM Government and therefore have the equivalent of a sovereign triple-A credit rating.

Diversification /diversified exposure	The spreading of investments among different types of assets or between markets in order to reduce risk.
European Investment Bank (EIB)	The European Investment Bank is the European Union's non-profit long-term lending institution established in 1958 under the Treaty of Rome. It is a "policy driven bank" whose shareholders are the member states of the EU. The EIB uses its financing operations to support projects that bring about European integration and social cohesion
Fair Value	Fair value is defined as a sale price agreed to by a willing buyer and seller, assuming both parties enter the transaction freely. Many investments have a fair value determined by a market where the security is traded.
Federal Reserve	The US central bank. (Often referred to as "the Fed").
Floating rate notes (FRNs)	Floating rate notes (FRNs) are debt securities with payments that are reset periodically against a benchmark rate, such as the three-month Treasury bill or the three-month London inter-bank offer rate (LIBOR). FRNs can be used to balance risks incurred through other interest rate instruments in an investment portfolio.
FTSE 100 Index:	The FTSE 100 Index is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalisation. It is one of the most widely used stock indices and is seen as a gauge of business prosperity for business regulated by UK company law.
General Fund	This includes most of the day-to-day spending and income of the Council
Gilts	Gilts are bonds issued by the UK Government. They take their name from 'gilt-edged': being issued by the UK government, they are deemed to be very secure as the investor expects to receive the full face value of the bond to be repaid on maturity.
Gross Domestic Product (GDP)	Gross Domestic Product measures the value of goods and services produced within a country. GDP is the most comprehensive overall measure of economic output and provides key insight as to the driving forces of the economy
IFRS	International Financial Reporting Standards.
LIBID	The London Interbank Bid Rate (LIBID) is the rate bid by banks on Eurocurrency deposits (i.e. the rate at which a bank is willing to borrow from other banks). It is "the opposite" of the LIBOR (an offered, hence "ask" rate, the rate at which a bank will lend). Whilst the British Bankers' Association set LIBOR rates, there is no correspondent official LIBID fixing.
LIBOR	The London Interbank Offered Rate (LIBOR) is the rate of interest that banks charge to lend money to each other. The British

	Bankers' Association (BBA) work with a small group of large banks to set the LIBOR rate each day. The wholesale markets allow banks who need money to be more fluid in the marketplace to borrow from those with surplus amounts. The banks with surplus amounts of money are keen to lend so that they can generate interest which it would not otherwise receive.
Maturity	The date when an investment or borrowing is repaid.
Maturity Structure / Profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period. The amount or percent maturing could be shown on a year-by-year or quarter-by quarter or month-by-month basis.
Minimum Revenue Provision (MRP)	An annual provision that the Council is statutorily required to set aside and charge to the Revenue Account for the repayment of debt associated with expenditure incurred on capital assets.
Money Market Funds (MMF)	<p>An open-end mutual fund which invests only in money markets. These funds invest in short term debt obligations such as short-dated government debt, certificates of deposit and commercial paper. The main goal is the preservation of principal, accompanied by modest dividends.</p> <ul style="list-style-type: none"> • Constant net asset value (CNAV) refers to funds which use amortised cost accounting to value all of their assets. They aim to maintain a net asset value (NAV), or value of a share of the fund, at €1/£1/\$1 and calculate their price to two decimal places known as "penny rounding". • Variable net asset value (VNAV) refers to funds which use mark-to-market accounting to value some of their assets. The NAV of these funds will vary by a slight amount, due to the changing value of the assets and, in the case of an accumulating fund, by the amount of income received. <p>A new class of Money Market Fund will be introduced by the EU MMF reform process. Most CNAV funds will become Low Volatility NAV (LVNAV) funds. LVNAV MMFs are permitted to maintain a constant dealing NAV provided that certain criteria are met, including that the market NAV of the fund does not deviate from the dealing NAV by more than 20 basis points.</p>
Multilateral Development Banks	See Supranational Bonds below.
Municipal Bonds Agency	An independent body owned by the local government sector that seeks to raise money on the capital markets at regular intervals to on-lend to participating local authorities.
Non Specified Investment	Investments which fall outside the CLG Guidance for Specified investments (below).
Operational Boundary	This linked directly to the Council's estimates of the CFR and estimates of other day to day cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely prudent but not worst case scenario but without the

	additional headroom included within the Authorised Limit.
Pooled Funds	A pooled investment is an investment in a large, professionally managed portfolio of assets with many other investors. As a result of this, the risk is reduced due to the wider spread of investments in the portfolio. They are also sometimes called 'collective investments'.
Property	Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.
Prudential Code	Developed by CIPFA and introduced on 01/4/2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice.
Prudential Indicators	Indicators determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable; they are not intended to be comparative performance indicators
Public Works Loans Board (PWLB)	This is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. The PWLB's function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.
Quantitative Easing (QE)	In relation to the UK, it is the process used by the Bank of England to directly increase the quantity of money in the economy. It <i>"does not involve printing more banknotes. Instead, the Bank buys assets from private sector institutions – that could be insurance companies, pension funds, banks or non-financial firms – and credits the seller's bank account. So the seller has more money in their bank account, while their bank holds a corresponding claim against the Bank of England (known as reserves). The end result is more money out in the wider economy"</i> . Source: Bank of England.
Revenue Expenditure	Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital financing charges.
RPI	Retail Prices Index is a monthly index demonstrating the movement in the cost of living as it tracks the prices of goods and services including mortgage interest and rent. Pensions and index-linked gilts are uprated using the RPI index.
(Short) Term Deposits	Deposits of cash with terms attached relating to maturity and rate of return (Interest) with maturity durations of less than 365 days
Specified Investments	Term used in the CLG Guidance and Welsh Assembly Guidance for Local Authority Investments. Investments that offer high security and high liquidity, in sterling and for no more than one year. UK government, local authorities and bodies that have a high credit

	rating
Supranational Bonds	Instruments issued by supranational organisations created by governments through international treaties (often called multilateral development banks). The bonds carry a AAA rating in their own right. Examples of supranational organisations are the European Investment Bank, the International Bank for Reconstruction and Development.
Treasury (T) -Bills	Treasury Bills are short term Government debt instruments and, just like temporary loans used by local authorities, are a means to manage cash flow. Treasury Bills (T-Bills) are issued by the Debt Management Office and are an eligible sovereign instrument, meaning that they have a AAA-rating.
Temporary Borrowing	Borrowing to cover peaks and troughs of cash flow, not to fund capital spending.
Treasury Management Code	CIPFA's Code of Practice for Treasury Management in the Public Services, initially published in 2003, subsequently updated in 2009 and 2011. CIPFA intend to update the Code again in 2018.
Treasury Management Practices (TMP)	Treasury Management Practices set out the manner in which the Council will seek to achieve its policies and objectives and prescribe how it will manage and control these activities.
Unsupported Borrowing	Borrowing which is self-financed by the local authority. This is also sometimes referred to as Prudential Borrowing.
Variable Net Asset Value (VNAV)	Redemptions and investments in Money Market Funds (MMF's) are on the basis of the fund's Net Asset Value (NAV) per share. The NAV of any money market fund is the market value of the fund's assets minus its liabilities and is stated on a per share basis. The net value of the assets held by an MMF can fluctuate, and the market value of a share may not always be exactly the amount that has been invested.
Yield	The measure of the return on an investment instrument.

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IMPACT OF EUROPEAN UNION (WITHDRAWAL) ACT 2018

The Council's treasury advisor, Arlingclose Ltd, informed the Council on 14 January 2019 that the European Union (Withdrawal) Act 2018, as drafted, changes the status of most pooled investment and money market funds. When the UK leaves the EU (currently 29 March 2019), transactions with almost all external pooled funds and money markets will become capital expenditure. Whilst we understand this was not the Intention of the legislation, there is now little time or opportunity to correct this position prior to the planned EU exit date.

The implications for the Council's external pooled fund investments, whilst significant, are manageable over the short term by deferring any further investment or disinvestment in these funds until this position is resolved.

For Money Market Funds, action needs to be taken to ensure that the Council can maintain sufficient cash management capacity without resorting to a large number of short term deposits with Banks and Local Authorities which would be administratively burdensome and would be inflexible in that we could not repatriate funds before the term date.

Arlingclose have confirmed that there are two money market funds that are not affected by this change. These are

- CCLA Public Sector Deposit Fund
- Federated Short-term Sterling Prime Fund

The Federated Sterling Cash Plus Fund, which is a very liquid short term pooled fund, is also not affected by this legislative change.

As part of existing BREXIT preparations, an application to open an account with Federated Investors has already been made.

Proposal

To ensure that contingency arrangements can operate within the terms of the Council's Treasury Management Strategy, officers recommend the following limits are approved to temporarily amend to tables 4 and 5 of the Council's Treasury Strategy until the legislative position is clarified.

- Increase the specific counterparty limit for CCLA to £16m from £10m. This equates to the existing £10m investment with the Local Authority Property Fund and up to a further £6m in the Public Sector Deposit Fund for cash management purposes.
- Introduce a specific counterparty investment limit of £12m for federated investors, representing up to £6m in the Federated Sterling prime fund and, up to £6m in the Short-term Sterling Prime Fund.

The maximum that Council can invest in this fund will also be subject to the proportionality limits determined by in Tables 4 and 5 of the Council's Treasury Strategy.

Alongside these measures the Council also already has access to a current account with Handelsbanken that can be used to invest up to £3m for liquidity management purposes.

These temporary limits will operate from the day the European Union (withdrawal) Act 2018 commences until either:

1. An updated Treasury Strategy is approved by full Council; or
2. The Government amends relevant legislation to ensure that Pooled and Money Market funds can be classified as revenue by Local Authorities.

Once these limits cease to be extant, unless an updated Treasury Strategy has been approved by Council, the limits in Tables 4 and 5 in the Treasury Strategy contained in Appendix 2 to this report will be in force, assuming the strategy is approved by Council.

Chichester District Council Authority's Monitoring Report 2017-2018



www.chichester.gov.uk

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How to Contact Us

Planning Policy

Chichester District Council

1 East Pallant, Chichester, West Sussex, PO19 1TY

Tel: 01243 785166

planningpolicy@chichester.gov.uk | <http://www.chichester.gov.uk>

www.facebook.com/ChichesterDistrictCouncil | www.twitter.com/ChichesterDC

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1. Introduction

1.1. The Authority's Monitoring Report (AMR) has been prepared by the Council and provides information and data relating to the performance, implementation and effects of the Local Plan. This AMR covers the period 1 April 2017 to 31 March 2018; however, significant events occurring since 31 March 2018 are also noted.

1.2. The introduction of the Localism Act 2011 and Town and Country Planning (Local Planning) (England) Regulations 2012 removed the requirement for local authorities to send an Annual Monitoring Report to the Secretary of State. However, Section 113 of the Localism Act 2011 retains the overall duty to monitor the implementation of the Local Development Scheme and the extent to which the policies set out in Local Plans are being achieved. Part 8 Section 34 of the Town and Country Planning (Local Planning) (England) Regulations 2012 sets out what should be included within the monitoring report and is set out below.

Purpose of the Report

1.3. In accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 the purpose of this AMR is to report on a range of matters including:

- Progress made against meeting the timetable specified in the Local Development Scheme (including reasons for any delay and the date of any adopted or approved documents);
- Details of any neighbourhood development order or neighbourhood development plan within the Plan area;
- Details on all Community Infrastructure Levy receipts or expenditure;
- Actions taken to meet the statutory Duty to Cooperate;
- The annual number of net additional dwellings and net affordable units delivered each year in the plan period;
- Any up to date information the local planning authority has collected for monitoring purposes.

1.4. The requirements set out in the Regulations are addressed in this AMR. The AMR has been divided into the following topic areas:

- Local Plan Progress: This section monitors the progress of the Council in meeting the timetable set out in the Local Development Scheme.
- Neighbourhood Planning: The section summarises the progress being made by the Parish Councils to produce their Neighbourhood Development Plans.

- **Community Infrastructure Contributions:** This section monitors the number of CIL receipts and Section 106 financial contributions collected by the Authority, and the amount of expenditure on infrastructure.
- **Duty to Cooperate:** This section explains the work undertaken by the Council and the surrounding authorities to address the strategic planning issues relevant to the area.
- **Policy Indicators:** This section assesses the performance of indicators identified in the monitoring framework of the Local Plan.

Policy Monitoring

1.5. On 1 April 2011, the South Downs National Park Authority (SDNPA) became the local planning authority for the South Downs National Park (SDNP) area, which covers a large area of Chichester District. This AMR covers the Chichester Local Plan area only and does not cover the part of the District covered by the National Park. Map 1 shows the sub-division of the District between the Chichester Local Plan area and the SDNP.

1.6. In order to monitor policy indicators, this report uses the monitoring framework of the Chichester Local Plan: Key Policies 2014-2029 (Chichester Local Plan).

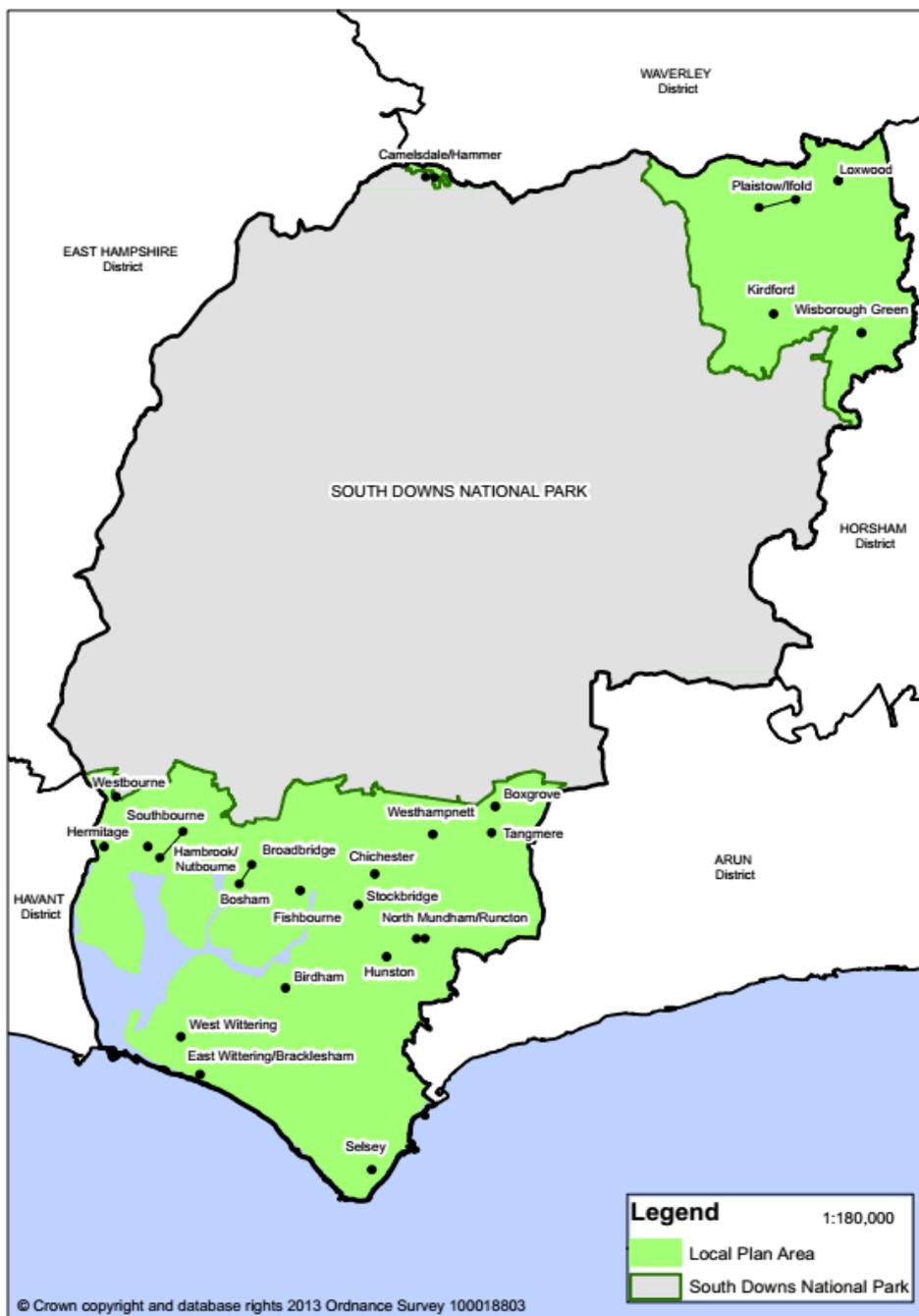
1.7. For two policy indicators in the environment section (EN1 and EN6) of the AMR, the data presented relates to the whole of Chichester District (including the SDNP) rather than the Chichester Local Plan area. In addition one of the indicators in the environment section (EN3) covers a section of the Solent shoreline and includes data from one site (Warblington) located outside of the district due to set survey routes.

2. Context and Headline Issues

Context for Local Plan area

2.1. The Local Plan covers Chichester District excluding the area within the South Downs National Park (SDNP). The South Downs National Park Authority is the Local Planning Authority for the SDNP area.

Map 1: Chichester District – showing the extent of the Chichester Local Plan area and South Downs National Park



Headline Issues for Local Plan area

- 2.2. The potential for a major upgrade of the A27 in the vicinity of Chichester City utilising alignments running south of the city has previously been considered in some detail by Highways England. Further work has also been undertaken by this Council, in combination with West Sussex County Council and local communities to explore the potential for a new alignment for the A27 to the north of Chichester.
- 2.3. In June 2018, this Council resolved that in the event of a future opportunity to apply for central government funding for new road schemes becoming available, support would be given to a northern alignment for the A27 as a preferred option, subject to securing the necessary environmental mitigation, with a southern route identified as a reasonable alternative. A letter was subsequently sent to Highways England, updating them of the agreed position from both Councils' perspective.
- 2.4. In January 2019, Highways England responded, advising that neither option identified would be likely to attract Government support in the form as presented. They further advised that they remain keen to work with local communities to identify a solution that delivers real improvements whilst remaining affordable and offering value for money.
- 2.5. In the continued absence of a government funded scheme for more strategic improvements to the A27 Chichester Bypass, Highways England will need to consider the appropriate time to implement the more moderate improvements to the A27 at Chichester necessary to mitigate the impact of the development provided for in the adopted Local Plan. In doing so, it will also be important to ensure that such mitigation measures have regard to the emerging proposals of the draft Local Plan Review.
- 2.6. The Council will continue to seek developer funding towards transport and access improvements which will be secured through a combination of planning obligations and Community Infrastructure Levy (CIL). The Council will use planning obligations linked to planning permissions to fund the identified mitigation scheme to the A27 junctions (see below) and to secure other specific works and improvements needed to mitigate the direct impact of proposed developments (this may include improvements to road junctions, provision of traffic signals, traffic calming, walking and cycling measures, public transport enhancements, etc). These development specific transport works will normally be provided during delivery of the relevant development scheme.

Waste Water

- 2.7. A number of Wastewater Treatment Works (WwTW) in the District are limited by capacity and environmental factors. This is a particular issue in the south of the District where development pressures are greatest. The Council is continuing to work as part of the Chichester Water Quality Group (alongside the Environment Agency, Southern Water, Natural England, WSCC and Chichester Harbour Conservancy) on the issues relating to WwTW.
- 2.8. The Apuldram WwTW, which serves Chichester city and the surrounding area, discharges to the head of Chichester Harbour, an area which is internationally designated for wildlife. Sewage is treated to a high standard and there are strict limits on the discharge consent to protect sensitive and important estuary environments and to comply with legal obligations under the Habitats Regulations. A Water Quality Assessment Report was produced in August 2018. It is important to note that the assessment found that measures will need to be put in place at each WwTW and their associated catchments and sewer networks in order to tackle current and future water quality issues to support future housing growth over the next 16 years. In December 2018 the Environment Agency and Southern Water produced a joint position statement in relation to new development within the Apuldram Waste Water Treatment Works catchment. This statement is intended to assist developers and development management officers when considering new development proposals in the catchment, alongside existing Local Plan policies and the Surface Water and Foul Drainage Supplementary Planning Document mentioned below.
- 2.9. The Council adopted the Surface Water and Foul Drainage Supplementary Planning Document (SPD) in September 2016. This SPD provides additional guidance on water management and infrastructure requirements to support planning applications and development proposals. It provides practical advice for applicants and will assist coordination between regulatory authorities and enable the timely delivery of any necessary water-related infrastructure.
- 2.10. The expansion of the Tangmere WwTW to provide additional wastewater capacity to help accommodate the additional housing identified in the Chichester Local Plan was completed and became operational in March 2018.

3. Planning Context

National Planning Policy Framework

- 3.1. A new National Planning Policy Framework (NPPF) was published in July 2018 setting out national policy to be considered when planning for new development. The NPPF is supported by Planning Practice Guidance (PPG). The previous NPPF, published in 2012 was in place for the period covered by this monitoring report.
- 3.2. The NPPF and other national planning guidance can be found on the Ministry of Housing, Communities and Local Government [website](#) under Planning Practice Guidance.
- 3.3. The Local Plan and other development plan documents must be consistent with the principles and policies set out in the NPPF.

Chichester in Partnership Community Strategy

- 3.4. The Sustainable Community Strategy, 'Chichester District: A Very Special Place', which informed the preparation of the Chichester Local Plan, was replaced in July 2016 by the 'Chichester in Partnership Community Strategy'. The Strategy sets out the vision and priorities of the partnership to plan for the future of the District from 2016-2021. Its priorities are to improve outcomes for:
- The Economy;
 - Health and Wellbeing;
 - Housing and Neighbourhoods;
 - Environment; and
 - Transport and Access.
- 3.5. The Strategy will inform the preparation of the Chichester Local Plan Review, which provides one of the primary means of delivering the spatial elements of the Community Strategy.

Strategic Planning in Coastal West Sussex and Greater Brighton

- 3.6. The Council is a member of the Strategic Planning Board (SPB) for the West Sussex and Greater Brighton area. The SPB comprises lead councillors from the district and borough councils of Adur, Arun, Chichester, Crawley, Mid Sussex, Horsham, Lewes and Worthing together with Brighton & Hove City Council, West Sussex County Council and the South Downs National Park Authority.

3.7. The Board is an advisory body with the following remit:

- To identify and manage spatial planning issues that impact on more than one local planning area across the West Sussex and Greater Brighton area; and
- To support better integration and alignment of strategic spatial and investment priorities in the West Sussex and Greater Brighton area.

3.8. The Board has signed a Memorandum of Understanding and agreed Terms of Reference which has established a framework for co-operation.

3.9. In October 2013, the SPB agreed the Coastal West Sussex and Greater Brighton Local Strategic Statement (LSS) which was prepared by the SPB member planning authorities as a non-statutory strategic planning document to provide the context for delivering sustainable growth over the period 2013-2031. The LSS focuses on strategic issues that are shared across the Coastal West Sussex and Greater Brighton area or that will impact on the long term sustainability of the area, providing an overlay for local plans and the business priorities of key stakeholders. It is the main vehicle for taking forward the SPB's work on behalf of the local planning authorities. A refresh of the strategy (known as LSS2) was agreed by the member planning authorities in 2016.

3.10. Local Strategic Statement 2, which covers the period 2015 to 2031, identifies 4 Strategic Objectives and 9 Spatial Priorities. Work has now been commissioned to begin preparing the evidence base for the next Local Strategic Statement (LSS3) to cover the period 2030 to 2050. This includes a study of projected housing and employment needs, transport impact, infrastructure need and spatial options to deliver the development needs and infrastructure. The Coastal West Sussex Economic Plan (2016-2020) produced in 2016 sets out the ambitions for the Coastal West Sussex economy and identifies actions that the Partnership will take to create an area where business will want to locate and grow with high quality digital communication, offer a choice of housing to meet the changing needs of the population, ensure that residents, businesses and visitors benefit from the natural environment, create an area with excellent transport links as well as enabling each town to continue to be distinctive, offer opportunities and maintain a 'sense of place'.

4. Local Plan Progress

- 4.1. This section provides a summary of work undertaken in the Chichester Local Plan area towards preparation of development plans and other related planning policy documents.
- 4.2. The Council is the local planning authority for Chichester District outside the South Downs National Park (referred to as the Chichester Local Plan area). The South Downs National Park Authority is preparing its own separate local plan which will cover the parts of the District within the National Park boundary.

Local Development Scheme

- 4.3. The Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011) requires local planning authorities to prepare, maintain and publish a Local Development Scheme (LDS). The LDS identifies which Local Development Documents are to be prepared for the Chichester Local Plan area within a rolling three year time frame, including setting out the key production and public consultation stages.
- 4.4. The LDS relevant to the monitoring period was published in June 2017 and set out the Council's intended timetable for the planning policy documents associated with the Chichester Local Plan area over the period to 2020. This version has been replaced with the most recent LDS dated November 2018 which can be viewed on the Council's website at [Timetable - Local Development Scheme: Chichester District Council](#). However, for the purposes of this AMR the progress of planning policy documents will be assessed in line with the LDS published in June 2017. Details and timetables for the documents included in the LDS June 2017 are presented below. The key milestones highlighted in bold show the stages to be undertaken during the monitoring period (1 April 2017 to 31 March 2018). Significant milestones occurring since 31 March 2018 are also noted.

Development Plan Documents

Chichester Local Plan Review

Table 1: Local Plan Review timetable in the LDS June 2017

Key Milestone	Date in LDS	Date Achieved
Approval of consultation on strategy options	Cabinet – June 2017 Council – June 2017	June 2017
Consultation on strategy options	June-August 2017	June-August 2017
Approval of Preferred Approach DPD for consultation	Cabinet – January 2018 Council - January 2018	November 2018
Consultation on Preferred Approach (Reg 18)	February to March 2018	December 2018 – February 2019
Approval of Statutory Public Consultation DPD for consultation (Pre submission)	Cabinet – July 2018 Council – July 2018	
Statutory Public Consultation document (Reg 19) (Pre submission)	July – August 2018	
Submission to Secretary of State	October 2018	
Examination Hearing	February 2019	
Adoption	November 2019	

- 4.5. In May 2015 the Inspector's Report was published and found the Chichester Local Plan: Key Policies 2014-2029 (Chichester Local Plan) 'sound' subject to a number of modifications. These included a Council commitment to undertake an early review of the Chichester Local Plan to aim to ensure that objectively assessed housing needs for the Plan area are met in full. The Chichester Local Plan Review will enable full and detailed consideration of this issue in light of proposed Government funding for upgrading of the A27.
- 4.6. Subsequently the Chichester Local Plan was formally adopted by the Council on 14 July 2015 and now forms part of the statutory development plan for Chichester District outside the SDNP. It provides the broad strategy and planning policy framework to manage development, protect the environment, deliver infrastructure and promote sustainable communities.
- 4.7. The Council has started work on a new Local Plan Review. The first stage of consultation (Issues and Options) took place between 22 June and 3 August 2017 seeking comments and information that would help to develop a draft

strategy and policies to be included. Consultation on the second stage (Preferred Approach) began on 13th December 2018.

Site Allocation Development Plan Document

4.8. The Site Allocation Development Plan Document (DPD) identifies non-strategic sites for housing, employment and other development requirements in conformity with the Chichester Local Plan. It covers those parts of the Plan area where local communities have not chosen to identify sites through neighbourhood plans over the lifetime of the Chichester Local Plan.

Table 2: Site Allocation DPD timetable in the LDS June 2018

Key Milestone	Date in LDS	Date Achieved
Approval of Preferred Approach DPD for consultation	December 2015	December 2015
Consultation on Preferred Approach (Reg 18)	January - February 2016	January - February 2016
Approval of Further Consultation Site Allocation DPD for consultation	July 2016	July 2016
Further consultation Site Allocation DPD consultation	July – September 2016	July-September 2016
Approval of Statutory Public Consultation DPD for consultation (Pre-Submission)	November 2016	November 2016
Statutory Public Consultation document (Reg 19) (Pre-Submission)	December – January 2017	December – January 2017
Submission to Secretary of State	March 2017	March 2017
Examination Hearing	July 2017	September 2017
Adoption	December 2017	January 2019

4.9. The Site Allocation DPD met its milestones during the monitoring period. The Site Allocation DPD was submitted to the Secretary of State in March 2017. As part of the submission a number of major and minor modifications to the Site Allocation DPD were included for the Inspector to consider. The Site Allocation DPD and the modifications were to be considered at the Examination Hearing that was expected to take place in July 2017. However, due to the availability of the Inspector and staff resources, the Examination Hearing was undertaken in September 2017.

4.10. Following the Examination Hearing and the receipt of the Inspector’s report, the Council consulted on further proposed modifications considered necessary by the Inspector. The consultation took place between 1 February and 16 March 2018 and all representations were sent to the Inspector. The Council undertook a Further HRA/Appropriate Assessment of the Site Allocation DPD at the request of the Inspector in light of the European Court of Justice decision on HRAs (the Sweetman case). The Council consulted on the Further HRA/ Appropriate Assessment from 15 August until 31 August 2018. Representations received were sent to the Inspector for consideration. Following the Inspector's consideration of all of the representations submitted in relation to the Site Allocation DPD, the Council received the Inspector's Report (dated 26 October 2018) which concludes that, with the recommended main modifications to the DPD, the Site Allocation DPD is sound. The Site Allocations DPD was adopted in January 2019.

Supplementary Planning Documents

Joint Chichester Harbour AONB Supplementary Planning Document

4.11. The Joint Chichester Harbour AONB SPD is produced in conjunction with the Chichester Harbour Conservancy and Havant Borough Council. All the authorities have an interest in planning within the Chichester Harbour Area of Outstanding Natural Beauty (AONB). The SPD provides further detail as to how policies in the local plans will be applied and expands on the aims of the Chichester Harbour AONB Management Plan 2014-2019.

Table 3: Joint Chichester Harbour AONB SPD timetable in the LDS May 2016

Key Milestone	Date	Date Achieved
Approval of SPD for consultation	November 2016	November 2016
Consultation on SPD (Reg 12)	December 2016 - January 2017	December 2016 - January 2017
Approval of document for adoption	May 2017	May 2017
Adoption	May 2017	May 2017

4.12. The Joint Chichester Harbour AONB SPD met its milestones during the monitoring period. The Council adopted the document on the 16th May 2017.

Other Documents

Community Infrastructure Levy

4.13. The CIL Charging Schedule sets out standard charge(s) that the Council will levy on specified types of development to contribute towards required infrastructure. It was prepared concurrently with the Chichester Local Plan and is supported by the Infrastructure Development Plan.

Policies Map

4.14. The Policies Map forms part of the adopted Chichester Local Plan. It identifies policy designations, proposals and sites allocated for particular land uses. The Policies Map will be updated when the following documents are adopted or made:

- Site Allocation DPD;
- West Sussex Joint Minerals Local Plan (adopted August 2018);
- West Sussex Waste Local Plan (adopted April 2014); and
- Neighbourhood Development Plans.

Sustainability Appraisal incorporating Strategic Environmental Assessment

4.15. A Sustainability Appraisal (incorporating Strategic Environmental Assessment) is undertaken for all DPDs, and where required for SPDs. This ensures that the social, economic and environmental effects of policies are understood and fully taken into consideration. This is particularly important in the appraisal of reasonable options. A Sustainability Appraisal report will accompany each published stage of a DPD, including the final Submission version.

Appropriate Assessment

4.16. A Habitats Regulations Assessment (HRA) is undertaken in the production of a development plan document. The HRA is updated at each stage subject to any fundamental changes or amendments to the development plan document. A HRA will accompany each published stage of a DPD, including the final Submission version.

5. Neighbourhood Planning

- 5.1. The Localism Act 2011 introduced Neighbourhood Planning as a new way for communities to decide the future of their areas. It gave powers to local communities and parish and town councils to produce neighbourhood plans. The Neighbourhood Planning (General) Regulations 2012 set out the stages of producing a neighbourhood plan.
- 5.2. Neighbourhood plans can be produced by town or parish councils in consultation with their communities, but must conform to the NPPF and strategic policies of the Local Plan. Neighbourhood plans can include planning policies and allocations of land for different uses.
- 5.3. Preparation of a neighbourhood plan initially requires designation of a neighbourhood plan area, followed by stages of evidence gathering and local community consultation. The draft neighbourhood plan is then submitted to the Council for formal consultation and then submitted for independent examination. If the independent examiner recommends the Plan should proceed to referendum, the community will then vote in a referendum on the neighbourhood plan. If the referendum indicates a majority of community support (more than 50% of the turnout), the neighbourhood plan is 'made' following agreement by the Council. Decisions on future planning applications must then be in accordance with the neighbourhood plan unless material considerations indicate otherwise.
- 5.4. Further information on neighbourhood planning in the Chichester Local Plan area, and for each parish with a designated neighbourhood area, is provided on the Council's website at : <http://www.chichester.gov.uk/neighbourhoodplan>.

Neighbourhood Plan Area Designation

- 5.5. The first stage in the neighbourhood planning process requires a town or parish council to submit to the local planning authority an application for the designation of the area to be covered by the neighbourhood plan. At 1 April 2017, a total of 21 parishes within, or partly within, the Chichester Local Plan area were subject to Neighbourhood Plan Area designations. No further areas were designated during the period April 2017 to March 2018.

Neighbourhood Plans Progress

- 5.6. Table 4 shows the progress of neighbourhood plans by parish. The key milestones highlighted in bold show the stages that have been undertaken during the monitoring period (1 April 2017 to 31 March 2018). Significant milestones occurring since 31 March 2018 are also noted. More detailed

information of individual neighbourhood plans can be found on the Council's website at: <http://www.chichester.gov.uk/neighbourhoodplan>.

Table 4: Neighbourhood plans progress

Parish	Key milestones	Date achieved
Birdham	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	June - July 2014 December 2014 - February 2015 November 2015 May 2016 July 2016
Bosham	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	November - December 2014 August 2015 – October 2015 January 2016 November 2016 November 2016
Chidham & Hambrook	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	July - September 2014 August – October 2015 December 2015 September 2016 September 2016
Fishbourne	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	December 2013 - January 2014 May - July 2014 October 2015 February 2016 March 2016
Kirdford	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	December 2012-February 2013 June 2013 – September 2013 January 2014 May 2014 July 2014
Loxwood	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	November - December 2013 Jan - Feb 2014; Oct - Dec 2014 February 2015 June 2015 July 2015

Parish	Key milestones	Date achieved
Selsey	Pre-submission Consultation Submission Consultation Examiner's report published Withdrawn	October - December 2014 April - June 2015 February 2016 February 2016
Southbourne	Pre-submission Consultation Submission Consultation Examiner's report published	April – June 2014 September - October 2014 May and August 2015
	Referendum Made	November 2015 December 2015
Tangmere	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	October - November 2014 April - June 2015 October 2015 May 2016 July 2016
Westbourne	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	February - April 2016 June – July 2017
Wisborough Green	Pre-submission Consultation Submission Consultation Examiner's report published Referendum Made	January - February 2015 April - June 2015 November 2015 May 2016 July 2016
Other parishes with a Neighbourhood Plan Area designation		
Boxgrove, East Wittering and Bracklesham, Hunston, Lynchmere, Plaistow and Ifold, West Itchenor, West Wittering and Westhampnett		

Neighbourhood Plans Made

5.7. Following a successful referendum a Neighbourhood Development Plan (NDP) is brought into legal force ('made'), and will form part of the statutory development plan for the Chichester Local Plan area.

Monitoring of Made Neighbourhood Development Plans

5.8. The following made neighbourhood development plans have now undertaken a period of monitoring up to 31 March 2018. Each parish listed below has provided information and/or a commentary and these are included at Appendix 1.

- Bosham Neighbourhood Development Plan

- Kirdford Neighbourhood Development Plan
- Fishbourne Neighbourhood Development Plan
- Chidham and Hambrook Neighbourhood Development Plan
- Wisborough Green Neighbourhood Development Plan
- Birdham Neighbourhood Development Plan

Neighbourhood Development Orders

- 5.9. Neighbourhood development orders allow the community to grant planning permission for development that complies with the order. This removes the need for a planning application to be submitted to the local authority.
- 5.10. No neighbourhood development orders have been made during the monitoring period, or up to the date of publication of this AMR.

6. Community Infrastructure Contributions

Community Infrastructure Levy

6.1. The Council adopted a Community Infrastructure Levy Charging Schedule on 26 January 2016, which took effect from 1 February 2016. The money generated will contribute to the funding of infrastructure to support growth within the Local Plan area. (The South Downs National Park Authority has implemented its own CIL for the parts of the district within the SDNP). The CIL is applied as a charge per square metre of gross internal area (GIA) as set out in Table 5 below.

Table 5: CIL Charging Schedule

Use of Development	Levy (£ per square metre)
*Residential - South of the National Park	£120
*Residential - North of the National Park	£200
Retail (wholly or mainly convenience)	£125
Retail (wholly of mainly comparison)	£20
Purpose Built Student Housing	£30
Standard Charge (applies to all development not separately defined)	£0
* This charge applies to the creation of one or more dwellings, and residential extensions or annexes which are 100 square metres or more gross internal area which are not for the benefit of the owner/occupier. This charge does not apply to residential institutions (C2).	
Note: The CIL rates will be index linked from the base year to the date when permission is granted using the 'All-in Tender Price Index' published by the Building Cost Information Service of the Royal Institute of Chartered Surveyors.	

6.2. The CIL is to be used to help provide infrastructure to support the development of an area rather than making an individual planning application acceptable in planning terms (which is the purpose of section 106 Agreements). CIL does not fully replace Section 106 Agreements.

6.3. The infrastructure projects that the CIL will be used to fund are identified in the CIL spending plan which can be found within the Infrastructure Business Plan (IBP) published on the council's website:

<http://www.chichester.gov.uk/article/27165/Infrastructure-Business-Plan-including-CIL-Spending-Plan>

6.4. The CIL Regulations require a proportion of CIL receipts to be handed to the local town or parish council in the area where CIL liable development takes place. The CIL share to be passed to the parish council is set at 15% of the

relevant CIL receipts with a cap of £100 per existing council tax dwelling each year. Where a Neighbourhood Development Plan has been made the share of CIL share will be 25% (uncapped).

6.5. CIL collecting authorities (Chichester District Council) are required to publish a short report on the levy on their website by 31 December each year, for the previous financial year. This report covers the period from 1 April 2017 to 31 March 2018.

6.6. Section 4 of Regulation 62 of the Community Infrastructure Levy Regulations 2010 (as amended) outlines the information that should be included in the report. Table 6 below provides the information required by the regulation for the 2017/18 financial year and in the left hand column reference is made to the CIL Regulations 62 (3) and (4).

Table 6: CIL receipts for the financial year 2017/18

Regulation 62 Reference	Description	Amount Collected/ Project Title
(3)	<p>Land payments made in respect of CIL charged by the District Council, and CIL collected by way of a land payment which has not been spent if at the end of the reported year-</p> <p>(a) Development (within the meaning of the TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or</p> <p>(b) The acquired land (in whole or in part has been used or disposed of for a purpose other than a relevant purpose; and the amount deemed to be CIL by virtue of Regulations 73(9) has not been spent</p>	<p>£0</p> <p>£0</p>
4(a)	Total CIL receipts for the reported year	£2,852,376.37
4(b)	Total CIL expenditure for the reported year	£5,000.00
4(c)(i)	Summary details of CIL expenditure (other than in relation to CIL to which regulation 59E or 59F applied) including: The items of infrastructure to which CIL (including land payments) has been applied	Enhancements to the Lavant Biodiversity Opportunity Area – the stretch of the Lavant north of the Westhampnett Strategic Development Location. IBP Project 1928

4(c)(ii)	Amount of CIL expenditure on each item	£IBP/194 £5,000																																								
4(c)(iii)	Amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part)	N/A																																								
4(c)(iv)	<p>Amount of CIL applied to administrative expenses pursuant to Regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation.</p> <p>Incurred administrative costs</p> <table border="1"> <tr> <td>Exacom annual maintenance fee</td> <td>£8,000</td> </tr> <tr> <td>Cost of CIL administrator including 50% on-costs</td> <td>£41,894.20</td> </tr> <tr> <td>CIL Exacom training</td> <td>£450.00</td> </tr> <tr> <td>Legal costs incurred to assist CIL enforcement</td> <td>£1,737.51</td> </tr> </table>	Exacom annual maintenance fee	£8,000	Cost of CIL administrator including 50% on-costs	£41,894.20	CIL Exacom training	£450.00	Legal costs incurred to assist CIL enforcement	£1,737.51	£52,082+ £10,848.93 carried forward from last year = £62,930.93 (2.2 %)																																
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CIL Exacom training	£450.00																																									
Legal costs incurred to assist CIL enforcement	£1,737.51																																									
4(ca)(i)	<p>Amount of CIL passed to any local council under Regulation 59A or 59B</p> <p>Collected to 30 September 2017</p> <table border="1"> <tr> <td>Boxgrove</td> <td>£1,505.52</td> </tr> <tr> <td>Chichester City</td> <td>£50,424.72</td> </tr> <tr> <td>East Wittering & Bracklesham</td> <td>£8,965.44</td> </tr> <tr> <td>Lavant</td> <td>£4,483.40</td> </tr> <tr> <td>Selsey</td> <td>£3,762.00</td> </tr> <tr> <td>Southbourne</td> <td>£20,998.41</td> </tr> <tr> <td>West Wittering</td> <td>£2,763.00</td> </tr> <tr> <td>Chidham and Hambrook</td> <td>£22,688.20</td> </tr> <tr> <td>Hunston</td> <td>£3,425.44</td> </tr> <tr> <td>Loxwood</td> <td>£110,934.72</td> </tr> </table> <p>Collected to 31 March 2018</p> <table border="1"> <tr> <td>Chichester City</td> <td>£36,181.67</td> </tr> <tr> <td>Chidham & Hambrook</td> <td>£26,603.60</td> </tr> <tr> <td>Donnington</td> <td>£24,867.90</td> </tr> <tr> <td>East Wittering & Bracklesham</td> <td>£74,057.22</td> </tr> <tr> <td>Funtington</td> <td>£612.00</td> </tr> <tr> <td>Loxwood</td> <td>£96,869.45</td> </tr> <tr> <td>Southbourne</td> <td>£55,506.50</td> </tr> <tr> <td>Tangmere</td> <td>£12,500</td> </tr> <tr> <td>Westhampnett</td> <td>£1,829.40</td> </tr> <tr> <td>West Wittering</td> <td>£4,610.13</td> </tr> </table>	Boxgrove	£1,505.52	Chichester City	£50,424.72	East Wittering & Bracklesham	£8,965.44	Lavant	£4,483.40	Selsey	£3,762.00	Southbourne	£20,998.41	West Wittering	£2,763.00	Chidham and Hambrook	£22,688.20	Hunston	£3,425.44	Loxwood	£110,934.72	Chichester City	£36,181.67	Chidham & Hambrook	£26,603.60	Donnington	£24,867.90	East Wittering & Bracklesham	£74,057.22	Funtington	£612.00	Loxwood	£96,869.45	Southbourne	£55,506.50	Tangmere	£12,500	Westhampnett	£1,829.40	West Wittering	£4,610.13	£563,588.71 Issued to Town/Parish Councils in respect of monies collected between 1 st April 2017 and 31 March 2018
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4(ca)(ii)	Amount of CIL passed to any person under Regulation 59(4)	£0.00
4(cb)(i)	Summary details of the receipt and expenditure of CIL to which regulation 59E and 59F applied including: The total receipts that regulation 59E and 59F applied to	n/a
4(cb)(ii)	The items to which the CIL receipts that regulations 59E and 59F applied have been applied	n/a
4(cb)(iii)	The amount of expenditure on each item	n/a
4(cc)(i)	Summary details of any notices served in accordance with regulation 59E, including: Total value of CIL receipts requested from each local council	£0.00
4(cc)(ii)	Any funds not yet recovered from each local council at the end of the reported year	n/a
4(d)(i)	Total amount of CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E or 59F applied	£2,220,856.73 Amount left after deductions have been made for CIL project expenditure, CIL admin, and amounts handed to local councils.
4(d)(ii)	CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied	£598,294.27
4(d)(iii)	CIL receipts for the reported year to which regulation 59E or 59F applied retained at the end of the reported year	n/a
4(d)(iv)	CIL receipts from previous years to which regulation 59E or 59F applied retained at the end of the reported year	n/a
4(e)	In relation to any infrastructure payments accepted by the District Council as charging authority) i) The items of infrastructure to which the infrastructure payments relate ii) The amount of CIL to which each item of infrastructure relates	£0.00 £0.00

Section 106 financial contributions

6.7 New development often creates a need for additional infrastructure or improved community services and facilities, without which there could be a detrimental effect on local amenity and the quality of the environment. In February 2016 the

CIL Charging Schedule came into effect and now funds much of the infrastructure previously secured via Section 106 (S106) agreements. Planning obligations are still used by the Council to obtain financial contributions to provide for any necessary infrastructure needed to support the development outside of that funded by CIL (which may also include provision for affordable housing).

6.8 Between 1 April 2017 and 31 March 2018 a total of 86 separate S106 agreements and unilateral undertakings were signed related to planning permissions granted in the Chichester Local Plan area. These provided for contributions to the District Council totalling £200,416. Further contributions were also obtained towards West Sussex County Council services and specific obligations to enter into S278 agreements with Highways England to secure contributions towards improvements to the A27.

6.9 Table 7 provides a breakdown of the financial contributions secured through S106 agreements including unilateral undertakings. The table includes agreed developer contributions towards District Council and County Council and Highways England infrastructure. The greatest numbers of signed S106 agreements are for small developments providing contributions to offset recreational disturbance impacts on the Chichester Harbour and Pagham Harbour Special Protection Areas (SPA).

Table 7: Financial contributions by infrastructure category secured via S106 agreements including unilateral undertakings 2017-2018

To Chichester District Council	Number of planning permissions contributing	Payments Due
Waste & Recycling	1	£900
Affordable Housing	1	£75,820
Chichester Harbour	67	£90,547
Pagham Harbour	25	£33,149
CDC Total		£200,416
To WSCC		
Transport	1	£90,585
Bus Services	1	£184,101.45
TRO	1	£7,000
WSCC Total		£281,686.45
To Highways England (Following completion of S278 agreement)		
A27	4	£445,623

6.10 Table 8 shows the detailed breakdown of S106 financial contributions agreed for developments. The table excludes sites where a unilateral agreement was signed only for payments towards mitigation of recreational disturbance for Chichester or Pagham Harbour.

6.11 Additionally £120,245.78 was received in contributions in to Bird Aware Solent, in line with the joint mitigation strategy outlined in the Bird Aware Solent Strategy.

Table 8: S106 agreements signed with financial contributions and non-financial contributions secured 2017-2018

Application number	Site	Development	Financial contribution to CDC	Financial contribution to WSCC	S278 to secure Financial Contribution to Highways England	Non - financial contribution
12/01739/OUT	Land on the East Side of Meadow Way, Tangmere	59 Residential Dwellings	Yes	No	Yes	Yes
13/03775/OUT	Land between Westhampnett Drive and Barnfield Drive, Chichester	A1,A3, A5 Units and Petrol Filling Station	No	Yes	No	Yes
14/01018/OUT	Graylingwell Hospital, College Lane, Chichester	218 Residential Dwellings	Yes	Yes	No	Yes
16/02254/OUT	Land to the South of Oving Road/B2144 Shopwhyke, West Sussex	100 Residential Dwellings	Yes	No	Yes	Yes
16/02321/OUT	Portfield Quarry & UMA House, Oving, Chichester	Student accommodation of up to 521 bedrooms	Yes	Yes	No	Yes
16/03520/FUL	Chichester Grain, Priors Leaze Farm, Priors Leaze Lane,	Agricultural Storage	No	No	No	Yes

	Hambrook, Chidham					
16/03569/OUT	Land East of Breach Avenue, Southbourne	34 Residential Dwellings	Yes	No	Yes	Yes
16/03803/FUL	Nellies Field, Main Road, Nutbourne	55 Residential Dwellings	Yes	No	Yes	Yes
16/04148/FUL	Flat Farm, Broad Road, Hambrook, Chidham	11 Residential Dwellings	Yes	No	No	Yes
17/00316/FUL	Rowan Nursery & Pippins, Bell Lane, Birdham	27 Residential Dwellings	Yes	No	No	Yes
17/02254/FUL	Jutland House, Kiln Drive, Hambrook	8 Residential Dwellings	Yes	No	No	Yes

7. Duty to Cooperate

- 7.1. The Localism Act sets out a 'Duty to Co-operate', which applies to all Local Planning Authorities, County Councils, National Park Authorities and a number of public bodies including the Environment Agency and Highways England.
- 7.2. The Duty to Co-operate requires councils and public bodies to "engage constructively, actively and on an ongoing basis" to develop strategic policies. It relates to sustainable development or use of land that would have a significant impact on at least two local planning areas or on a planning matter that falls within the remit of a county council.
- 7.3. The NPPF at paragraph 25 provides details regarding the expectations of LPAs to co-operate on strategic issues and highlights those policies that should be considered as strategic priorities whilst paragraph 27 sets out what is required to demonstrate on-going joint working.
- 7.4. The Town and Country Planning (Local Planning) (England) Regulations 2012 require that the local planning authority's monitoring report must give details of what action has been taken during the monitoring period to satisfy the Duty to Co-operate.
- 7.5. The Council has engaged actively with neighbouring local authorities, both individually and as part of planning groups and forums on a sub-regional basis. Statutory bodies, public and private bodies and the local residential and business communities have also been engaged and consulted throughout the plan-making process. In particular during the preparation of the Chichester Local Plan, which was adopted in July 2015, the Council engaged extensively with West Sussex County Council, SDNP Authority, neighbouring local authorities, statutory bodies including Environment Agency, Natural England and Highways England, and key infrastructure providers. The Council has continued to engage with these groups throughout the Local Plan Review process.
- 7.6. A considerable proportion of Duty to Cooperate activity has involved collaborative working on strategic issues with other West Sussex authorities (and wider authorities) and statutory bodies. Further details are set out below.

West Sussex and Greater Brighton Strategic Planning Board

- 7.7. Refer to Section 4.

Solent Recreation Mitigation Partnership (also known as Bird Aware Solent)

- 7.8. The Solent is internationally important for its wildlife interest and there are various protective designations including three Special Protection Areas (SPAs); two of which are located within the Plan area. A substantial amount of house building is planned around the Solent and this could have potential impacts on the SPAs. One of which is increased recreational activity at the coast resulting from population increases associated with the new homes. Such disturbance reduces the birds' opportunities to feed, potentially resulting in a reduction in the bird population. In order to comply with the Habitat Regulations and ensure that potential harm to the integrity of the protected habitats is mitigated, the Council has entered in to a partnership with the other local planning authorities around the Solent to deliver a strategic mitigation package.
- 7.9. The Solent Recreation Mitigation Strategy was endorsed by the Partnership in December 2017 and aims to prevent bird disturbance from recreational activities through a series of management measures. In particular, the Strategy proposes:
- A team of 5-7 coastal rangers to advise people on how to avoid bird disturbance, liaise with landowners, host school visits, etc;
 - Communications, marketing and education initiatives and an offer to implement them;
 - Preparation of codes of conduct for a variety of coastal activities;
 - Site specific projects to better manage visitors and provide secure habitats for the birds;
 - Provide new /enhanced greenspaces as an alternative to visiting the coast;
 - A partnership manager to coordinate and manage all the above.
- 7.10. Implementation of these measures and monitoring of their effectiveness will be funded by 'developer contributions'. The strategy seeks to provide mitigation for the duration of the impact in line with the Habitat Regulations. Throughout this period, regular strategic reviews will take place every 5 years or more frequently if changes in the legislation or evidence necessitate.
- 7.11. Coastal West Sussex is a public/private sector partnership that has joined together to champion the sustainable development of the coastal communities. In particular it is a key partner in designing and contributing to our Local Enterprise Partnership's Strategic Economic Plan, and for initiating and assisting the delivery of collaborative projects in the Coastal West Sussex. The remit of the Strategic Planning Board is detailed at 3.7 above.

- 7.12. As part of the Chichester Local Plan Review the Council carried out joint work with Coastal West Sussex authorities on matters such as housing and gypsy and traveller needs.
- 7.13. Joint working has also been taking place on cross boundary issues with local planning authorities outside of the Coastal West Sussex and Greater Brighton area issues – including discussions with Havant Borough Council, particularly in relation to strategic transport issues.
- 7.14. A Joint Scheme of mitigation in relation to Pagham Harbour SPA and Medmerry, agreed with Arun District Council in January 2016 was revised in May 2017 following changes to Arun’s projected housing numbers within the zone of influence for the harbour.
- 7.15. There is also ongoing collaboration with other statutory bodies including Highways England, the Environment Agency, Natural England, Historic England, Southern Water and the Chichester Harbour Conservancy. This includes regular meetings such as the Chichester Water Quality Group.

8. Policy Indicators

8.1. The following section provides commentary on the indicators identified in the monitoring framework set out in Appendix G, Table 2 of the Chichester Local Plan. The indicators are assessed against the targets and triggers outlined in the monitoring framework.

8.2. In line with the monitoring framework this section is divided into four parts; economy, housing and neighbourhoods, environment and strategic infrastructure.

Economy

Key Indicator: E1

Amount of additional employment land (B uses) developed by type

8.3. As shown in Table 9, the additional employment floorspace (B1-B8 uses) completed in 2017-18 totalled 29,416.3 sq.m (gross) or 6,929.5 sq.m (net). The majority of the new floorspace was provided for B1a (office) use, with completions at Terminus Road, Chichester and Southern Sidings, Stockbridge totalling 4200.7 sq.m (net) additional floorspace. The completion of plans at Leythorne Nursery, Runcton through a lawful development certificate application, added 21,605 sq.m (gross) to B8 use supply, however as this site was already in use, it has not contributed to an actual net increase in floorspace in this monitoring period. This application has contributed to a significant increase in gross floorspace completions compared to 2016-17, however net completions are lower. Overall a total of 71,204.3 sq.m gross (40,733 sq.m net) has been completed in the Local Plan area over the period 2012-2018. It should be noted that the data from WSCC records economic activity on existing and newly developed employment sites. It excludes data on losses of employment sites to other uses.

Table 9: Employment floorspace developed by type 2012-2018 (Source: WSCC)

Gross floorspace completions (sq.m)

	B1a: Offices	B1b: Research & Development	B1c: Light Industry	B1: Mixed Uses	B2: General Industry	B8: Storage & Distribution	Total
2012-13	231	150	0	67	3,866	1,160	5,474
2013-14	656	0	843	4,660	371	1,880	8,410

2014-15	70	0	1,296	0	182	4,333	5,881
2015-16	615	0	3,799	1,206	515	6,278	12,413
2016-17	52	0	285	7,469	120	1,684	9,610
2017-18	6120.3	0	243	0	1276	21,777	29,416.3
Total 2012- 2018	7,744.3	150	6,466	13,402	6,330	37,112	71,204.3

Net floorspace completions (sq.m)

	B1a: Offices	B1b: Research & Development	B1c: Light Industry	B1: Mixed Uses	B2: General Industry	B8: Storage & Distribution	Total
2012-13	231	0	0	67	2,183	750	3,231
2013-14	274	0	763	4,660	90	1,880	7,667
2014-15	70	0	762	0	182	4,333	5,347
2015-16	363	0	249	1,206	0	6,278	8,096
2016-17	52	0	247	7,469	120	1,574	9,462
2017-18	5238.5	0	243	0	1276	172	6,929.5
Total 2012- 2018	6,228.5	0	2264	13,402	3,851	14,987	40,733

Delivery of new employment land and floorspace

8.4. Policy 3 of the Chichester Local Plan makes provision to bring forward around 25 hectares of new employment land suitable for Business Use Classes (B1-B8) uses, to comprise around 5 hectares office space and around 20 hectares of industrial/warehousing space. Table 10 shows the current progress towards achieving this target. As shown in the table, the employment land requirement is being met from three sources - existing undeveloped employment allocations carried forward from the previous Local Plan 1999; strategic employment land allocated in the Chichester Local Plan; and further employment sites proposed for allocation in the Site Allocation DPD. In combination these sites provide over 20 hectares of employment land. It is expected that the remaining requirement will be met through additional unallocated employment floorspace coming forward during the Plan period, although the employment land supply will continue to be monitored.

8.5. During the past year there has been progress on several of the allocated sites. As noted above, Phase 2 of development at Glenmore Business Park is now under construction. Construction is now complete at Plot 12, Terminus Road, where the Chichester Enterprise Centre is now open.

Table 10: Employment land availability - progress against Local Plan target (Source: CDC)

Location	Comments	Site area (hectares)	Development progress	Remaining area not yet developed (hectares)
Employment allocations carried forward from Chichester District Local Plan 1999				
Portfield Quarry (Glenmore Business Park) ¹	Land included in Local Plan Policy 16 - Shopwhyke Strategic Development Location. At start of Local Plan period, site already had outline planning permission for 17,468sq.m floorspace for B8 distribution uses.	4.2	Hybrid application (13/02190/FUL) granted Jan 2014 comprising full planning permission totalling 7,469 sq.m floorspace for B1c/B2/B8 uses & outline permission for up to 10,107 sq.m additional floorspace for B1c/B2/ B8. First phase of 7,469 sq.m now complete & occupied. Reserved matters (16/02315/REM) approved Oct 2016 for remaining development comprising 9,324 sq.m and construction is now underway. 17/00975/FUL granted July 2017 comprising full planning permission for 5,398 sq.m floorspace for B1/B2/B8 uses (0.9ha). Development is underway.	1.16
Ellis Square, Selsey	Remaining undeveloped area. Site has outline planning permission (00/00837/OUT) part implemented for B1 mixed uses.	2.2	17/03005/FUL permitted Dec 2017 on part of allocated site (0.58 ha) for secure parking compound, temporary storage building, and new vehicular access from Ellis Square. 17/02137/FUL permitted Sept 17 for B1 office building, access, car parking and landscaping (0.24ha). Construction underway.	1.38

¹ Treated as an extant planning permission, so not counted towards the Local Plan requirement for 25 hectares additional employment land.

Location	Comments	Site area (hectares)	Development progress	Remaining area not yet developed (hectares)
Land at Tangmere Business Park	Remaining undeveloped area. Part of site subject to previous planning permission now expired.	1.7	No recent planning applications.	1.7
Donnington Park, Birdham Road, Stockbridge	Remaining undeveloped area without planning permission.	0.23	Planning permission (16/00622/FUL) granted in Aug 2016 for 5 two-storey business units totalling 1,055 sq.m floorspace for Use classes B1, B8 (with ancillary trade counter use). Development not yet started.	0.23
Total		4.13		4.47
New employment land allocated in Chichester Local Plan: Key Policies 2014-2029				
West of Chichester SDL (Policy 15)	Suitable for B1 (specific mix of B1 office/light industry floorspace to be determined at masterplanning /detailed planning stage)	6.0	Planning application (14/04301/OUT) for first phase of development proposes 2,513 sq.m B1a office floorspace (0.82 ha) within planned local centre. Remaining employment to be provided in second phase (limited to B1c light industrial use to avoid unacceptable traffic impacts).	6.0
Tangmere Strategic Employment Land (part) (Policy 19)	New land allocated in addition to 1.7 hectares carried forward from Chichester District Local Plan 1999. Suitable for B1-B8 uses.	2.8	Plot 7 (0.8 ha) now developed as Make Ready Centre for South East Coast Ambulance Service (14/01413/FUL). Plot 10 (1.0 ha) granted planning permission September 2016 for 4,013sq.m flexible B1(c) and/or B8 uses with ancillary office space (16/02035/FUL).	1.0

Location	Comments	Site area (hectares)	Development progress	Remaining area not yet developed (hectares)
Total		8.8		7.0
Employment allocations proposed in Site Allocation DPD				
High School, Kingsham Road, Chichester (Policy CC6)	Proposed for B1 employment uses subject to confirmation that the land is surplus to requirements for education purposes. (Proposed allocation forms part of site identified in Southern Gateway Masterplan as suitable for up to 7,200 sq.m B1 office space).	1.07	Site currently vacant, but no planning applications yet submitted.	1.07
Plot 12 Terminus Road (Chichester Enterprise Zone) (Policy CC7)	Proposed for B1, B2 and B8 employment uses. Total site area is 2.4 ha (net increase excluding existing developed area is 0.42 ha).	0.42 (net increase)	Planning permission (15/03419/REG3) granted Feb 2016 for redevelopment of 0.71 ha plot for 3,288 sq.m (2,469 sq.m net) of managed business space. Development completed.	0
Fuel Depot Site, Bognor Road, Chichester (Policy CC8)	Proposed for B1, B2 and B8 employment uses on 3.8 ha within overall site area of 4.8 ha (allowing remaining 1 ha to be developed for waste uses as identified in West Sussex Waste Local Plan 2014).	3.8	Hybrid permission (14/04284/OUT) granted July 2016 for allocated site (3.8 ha) including outline permission for B2/B8/ Trade uses (7,830sq.m) and 2 ancillary roadside catering units (420sq.m), and detailed permission for a discount food retail unit (2,431sq.m).	3.8

Location	Comments	Site area (hectares)	Development progress	Remaining area not yet developed (hectares)
Springfield Park (adjacent to Fuel Depot) (Policy CC9)	Proposed for B1, B2 and B8 employment uses.	2.2	Outline planning application (17/00640/OUT) for redevelopment of site for 9,240 sq.m B1/B2/B8 uses was refused June 2017 due to insufficient supporting information being submitted on several matters, including transport evidence.	2.2
Total		7.49		7.07
Grand Total		20.42		18.54

Key Indicator: E2

Amount of large scale glasshouse developments permitted

In the monitoring year the Council received one planning application in relation to major development for glasshouses situated within the Tangmere HDA, though this decision is still pending.

Key Indicator: E3

Percentage of Chichester city primary and secondary frontages in non-retail uses

8.6. Key indicator E3 seeks to ensure that no more than 25% and 75% of the primary and secondary shopping frontages in Chichester shopping centre are in non-shopping uses (A1), respectively.

8.7. The primary and secondary shopping frontages in Chichester shopping centre were surveyed during the monitoring period in July 2017 and January 2018. The survey found in July 2017 that 24.58% of the primary shopping frontages and 53.92% of the secondary shopping frontages were in non-shopping uses. In January 2018, survey results showed primary shopping frontages in non-shopping uses increasing slightly to 24.94% whilst secondary frontages with non-shopping uses reduced to 53.70%.

8.8. The monitoring results show that the percentages of primary and secondary shopping frontages in Chichester shopping centre that are in non-shopping uses are currently in accordance with Policy 27 of the Chichester Local Plan.

Housing and Neighbourhoods**Key Indicator: H1**

New homes built each year (net)

8.9. The Chichester Local Plan makes provision to deliver a total of 7,388 net additional homes over the period 2012-2029, equivalent to an average of 435 homes per year.

8.10. Housing completions in the Chichester Local Plan area over the year to 31 March 2018 totalled 557 net dwellings as shown in Table 11. This figure is above the Local Plan requirement and is the third successive year that housing

completions have exceeded the Plan housing target. However, the average rate of housing delivery since 1 April 2012 still remains below the Local Plan requirement, giving a cumulative housing delivery shortfall of 247 net dwellings.

Table 11: Net additional dwellings completed 2012-2018 (Source: CDC/WSCC)

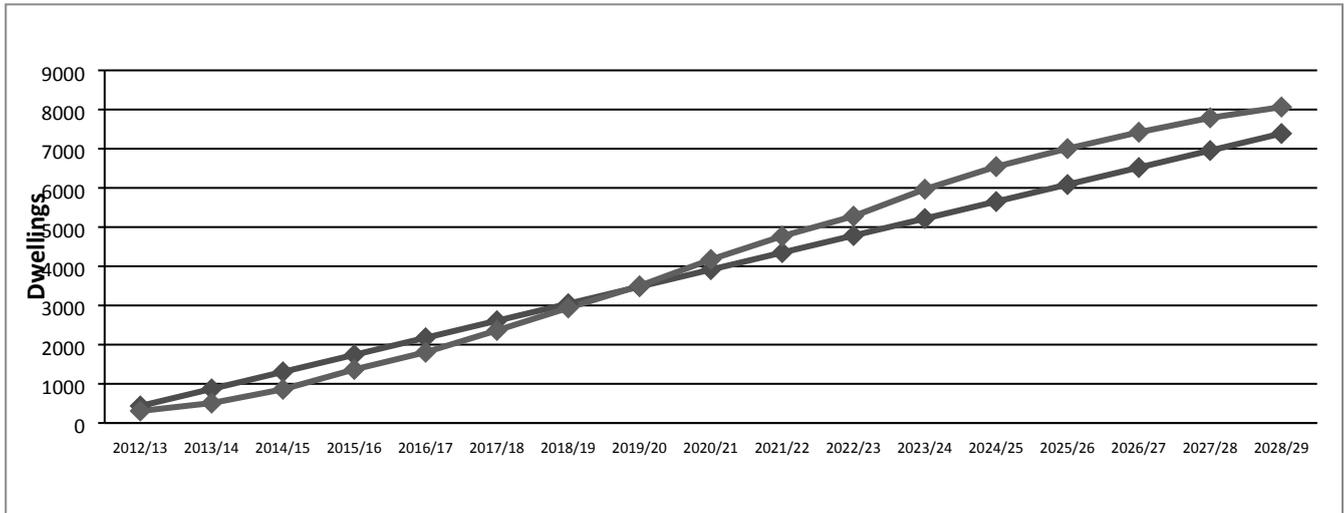
Monitoring year	Local Plan requirement	Net dwellings completed	Housing surplus/shortfall
2012/13	435	307	-128
2013/14	435	202	-233
2014/15	435	351	-84
2015/16	435	507	+72
2016/17	435	439	+4
2017/18	435	557	+118
Total 2012-2018	2610	2363	-247
Average per year	435	394	-41

8.11. Appendix D in the Chichester Local Plan provides a housing trajectory which shows projected housing delivery and phasing over the period to 2029. Appendix 3 of this AMR presents an updated version of the trajectory, taking account of housing completed to 31 March 2018 and planning permissions granted to the end of November 2018.

8.12. The updated trajectory shows that a combination of housing completions since April 2012, identified housing commitments (e.g. outstanding planning permissions) and additional housing allocated in the Chichester Local Plan and neighbourhood plans are expected to deliver a total of 8,064 net dwellings over the period to 2029. This comfortably exceeds the Chichester Local Plan requirement of 7,388 dwellings.

8.13. Figure 1 compares actual and projected annual housing completions against the Local Plan housing requirement. As noted above, cumulative housing completions since 1 April 2012 have so far fallen short of meeting the annual Local Plan requirement of 435 dwellings per year. However, as noted above, housing completions over the past three years have exceeded the Local Plan requirement and future completions are expected to continue to increase, allowing the cumulative shortfall to be overcome within the next 2 years.

Figure 1: Actual/projected housing completions against Local Plan housing target 2012-2029



Five year supply of deliverable housing sites

8.14. The NPPF sets a requirement to maintain a five year supply of deliverable housing sites. The Five Year Supply is currently being prepared and will be published separately.

Key Indicator: H2

New homes built each year (net) by strategic sites and Settlement Hubs

8.15. The Chichester Local Plan allocates land to deliver a total of 3,250 homes at Strategic Development Locations (SDLs) at West of Chichester, Shopwyke, Westhampnett/ North East Chichester and Tangmere (Policies 15-18), and provides for a further 630 homes on strategic sites to be identified at the settlement hubs of East Wittering/ Bracklesham, Selsey and Southbourne (Policies 20, 23 and 24). Table 12 shows housing completions on strategic sites to date against the indicative phasing shown in Table 7.2 in the Local Plan. In total since 1 April 2012, a total of 294 dwellings have been completed on strategic sites. This relatively small total to date is a reflection of the longer planning lead times needed to bring forward larger housing developments.

8.16. However, as shown in Table 13, considerable progress is being made towards future housing delivery on the majority of the strategic sites. Of the SDLs, development of 398 dwellings has now commenced at Shopwyke Lakes, with the remainder of the total of 585 dwellings having outline permission. Reserved Matters have been approved in relation to the Outline permission for up to 300

dwelling on land between Stane Street and Madgwick Lane, Westhampnett comprising the first phase of development at Westhampnett/North East Chichester. At West of Chichester, outline planning permission for the first phase of development (750 dwellings) is granted subject to a S106 agreement. Reserved matters in respect of appearance and landscaping were permitted in Dec 2018. The Council is working with the landowners and developers to facilitate the Tangmere SDL in accordance with Local Plan and neighbourhood plan policies. As part of this the Council is making a Compulsory Purchase Order (CPO) to ensure delivery. The Council have now selected a development partner in order to make progress on the site.

8.17. At the Settlement Hubs, all of the remaining strategic housing requirement now have planning permission, with the majority of developments now underway or expected to commence shortly.

Table 12: Net housing completions on strategic sites to 31 March 2018

Location	Local Plan policy	No. of homes planned to 2029	Net housing completions 2017/18	Total net completions since 1 April 2012	Remaining housing yet to be delivered
SDLs					
West of Chichester	Policy 15	1,250	0	0	1,250
Shopwhyke	Policy 16	500	78	78	422
Westhampnett/ North East Chichester	Policy 17	500	0	0	500
Tangmere	Policy 18	1,000	0	0	1,000
SDL total		3,250	78	78	3,172
Settlement Hubs					
Southbourne (village)	Policy 20	300	13	33	267
Selsey	Policy 23	150	55	107	43
East Wittering/ Bracklesham	Policy 24	180	26	76	104
Settlement Hubs total		630	94	216	173
Total		3,880	172	294	3,3458

Table 13: Progress towards future housing delivery

Location	Planning permission under construction	Detailed planning permission not yet started	Outline planning permission granted or agreed subject to S106	Outstanding housing requirement not yet permitted
SDLs				
West of Chichester	0	0	750	500
Shopwhyke	398	0	187 ¹	0
Westhampnett/ North East Chichester	0	300	0	200
Tangmere	0	0	0	1,000
SDL total	398	300	937	1,700
Settlement Hubs				
Southbourne (village)	293	0	0	0
Selsey	110	0	139	0
East Wittering/ Bracklesham	110	0	0	0
Settlement Hubs total	513	0	139	0
Total	911	300	1,076	1,700
¹ Includes outline planning permission for 85 additional dwellings bringing the total planning housing at Shopwhyke SDL to 585 dwellings. The additional 85 dwellings are also counted towards the parish requirement for Chichester under Indicator H3.				

Key Indicator: H3

New homes built each year (net) by Parish

8.18. Table 14 shows housing completions counting towards the indicative parish housing numbers set out in Policy 5 of the Chichester Local Plan. During the year to 31 March 2018, a total of 220 net dwellings were completed on parish housing sites. This brings the total completions on parish sites since the start of

the Local Plan period to 568 net dwellings, with a total of 450 dwellings remaining to be delivered².

8.19. As shown in Table 15, a further 374 dwellings are currently under construction on parish housing sites. The majority of the remaining parish requirement now has planning permission, with further sites allocated in neighbourhood plans. The Council's Site Allocation DPD (due to be adopted in January 2019) identifies sites to meet the outstanding requirement in Bosham, Hunston and Plaistow & Ifold parishes. However, no suitable site has been identified to meet the Local Plan requirement for 10 dwellings in Lynchmere parish.

Table 14: Parish net housing completions to 31 March 2018

Parish	Number of homes planned to 2029	Net housing completions 2017/18	Total net completions since 1 April 2012	Remaining parish housing yet to be delivered
<i>East-West Corridor</i>				
Bosham	50	4	4	46
Boxgrove	25	3	3	22
Chichester city	235	84	101	134
Chidham & Hambrook	25	15	92	0
Fishbourne	50	14	50	0
Southbourne (excl village)	50	16	16	34
Westbourne	25	16	17	8
E-W Corridor total	460	152	283	244
<i>Manhood Peninsula</i>				
Birdham	50	16	32	18
Donnington	50	0	116	0
Hunston	25	1	19	6
North Mundham	25	34	49	0
West Wittering	50	1	51	0
Manhood Peninsula total	200	52	267	24
<i>Plan Area (North)</i>				
Kirdford	60	0	0	60
Loxwood	60	10	10	50
Lynchmere	10	0	0	10
Plaistow & Ifold	10	6	6	4

² It should be noted that housing completions in Donnington and Chidham & Hambrook have already considerably exceeded the identified Local Plan figure and completions.

Wisborough Green	60	0	2	58
Plan Area (North) total	200	16	18	182
Parish housing total	860	220	568	450
¹ Parish target allows for the inclusion of suitable sites adjoining the Chichester city Settlement Boundary in neighbouring parishes (including sites separated from the Settlement Boundary by the A27).				

Table 15: Parish progress towards future housing delivery

Parish	Planning permission under construction	Detailed planning permission not yet started	Outline planning permission granted or agreed subject to S106	Allocated in neighbourhood plans or Site Allocation DPD	Total sites identified
<i>East-West Corridor</i>					
Bosham	5	22	0	50	77
Boxgrove	2	6	22	7	37
Chichester city	124	298	298	0	720
Chidham & Hambrook	25	2	0	0	27
Fishbourne	8	6	0	15	29
Southbourne (excl village)	89	146	3	0	238
Westbourne	1	7	0	12	20
E-W Corridor total	254	487	323	84	1148
<i>Manhood Peninsula</i>					
Birdham	7	61	0	0	68
Donnington	16	3	21	0	40
Hunston	0	5	0	7	12
North Mundham	2	7	0	0	9
West Wittering	6	15	0	0	21
Manhood Peninsula total	31	91	21	7	150
<i>Plan Area (North)</i>					
Kirdford	0	2	0	60	62
Loxwood	37	6	0	17	60
Lynchmere	1	0	0	0	1
Plaistow & Ifold	17	12	4	10	43
Wisborough Green	34	1	22	11	68

Plan Area (North) total	89	10	26	98	234
Parish housing total	374	588	370	189	1532
¹ Additional 85 dwellings granted outline planning permission at Shopwhyke SDL (within Oving parish) in addition to the 500 dwellings already allocated under Policy 16 in Local Plan Key Policies 2014-2029.					

Key Indicator: H4

Windfall housing developed: New homes built each year (net)

8.20. The Chichester Local Plan housing provision figure includes an allowance for 'windfall' housing expected to come forward in small developments of less than 6 dwellings (arising mainly through change of use, conversions, and small infill sites). Taking account of small sites that already had planning permission at the time of Plan adoption, the windfall allowance equated to 48 net dwellings per year across the Plan area. Table 16 shows that actual recorded net completions on sites of less than 6 dwellings since 1 April 2012 have averaged 58 dwellings per year, which is now well in excess of the Plan target. The breakdown by sub-area shows that small site completions are meeting the Plan figures in the East-West Corridor and Manhood Peninsula areas, but are slightly below the projected level in the North of the Plan area.

Table 16: Net dwellings completed on sites of less than 6 dwellings 2012-2018 (Source: CDC/WSCC)

	East-West Corridor	Manhood Peninsula	North of Plan Area	Plan Area total
Small sites windfall allowance	326	171	87	584
Small sites windfall allowance per year	27	14	7	48
Net dwellings completed on sites of less than 6 dwellings				
2012/13	46	22	0	68
2013/14	31	16	8	55
2014/15	29	16	4	49
2015/16	31	10	8	49
2016/17	48	10	7	65
2017/18	41	22	1	64

Total 2012-2018	226	96	28	350
Average per year	38	16	4.6	58

Key Indicator: H5

Affordable homes built each by type and as a percentage of all homes built

8.21. Tables 17 and 18 show gross and net affordable housing completions in the Local Plan area as reported by West Sussex County Council (WSSCC). During 2017-2018, affordable housing completions totalled 167 net dwellings. Policy 34 of the Chichester Local Plan sets a requirement for 30% affordable housing to be provided as part of residential development schemes above specified size thresholds (11 dwellings in larger settlements and 6 dwellings in rural parishes). The Plan also sets an overall target that 30% of total completions to 2029 should comprise affordable housing (excluding rural exception sites).

8.22. With no completions on rural exception sites during the year, the net total of 167 affordable dwellings delivered in 2017/18 represents around 30% of total net completions, which is in line with the Local Plan target. In the Local Plan period to date since 1 April 2012, a net total of 685 affordable dwellings have been built representing around 30% of all net dwellings completed.

Table 17: Gross affordable housing completions as a percentage of total housing completions 2012-2018 (Source: WSSCC)

Monitoring year	Total completions (gross)	Affordable housing completions (gross)	Affordable housing completions excluding rural exception sites (gross)	Percentage (%)
2012/13	327	66	51	15.6%
2013/14	286	86	81	28.3%
2014/15	418	187	159	38.0%
2015/16	541	171	156	28.8%
2016/17	484	157	157	32.4%
2017/18	607	173	173	28.5%
Total 2012-2018	2663	840	777	29.2%

Table 18: Net affordable housing completions as a percentage of total housing completions 2012-2018 (Source: WSCC)

Monitoring year	Total completions (net)	Affordable housing completions (net)	Affordable housing completions excluding rural exception sites (net)	Percentage (%)
2012/13	307	66	51	16.6%
2013/14	202	27	23	11.4%
2014/15	351	159	131	37.3%
2015/16	507	171	156	30.8%
2016/17	439	157	157	35.8%
2017/18	557	167	167	29.98%
Total 2012-2018	2363	747	685	30.0%

8.23. The Council's Housing Strategy 2013-2018 sets an objective to maximise the supply of local homes to meet the needs of local people. This includes maximising delivery of affordable housing on market sites and boosting affordable housing delivery through the use of Council and partner assets. The Council has set a new minimum target of 550 affordable homes to be delivered on market sites through the Local Plan over the 5 year Housing Strategy period, with an additional 150 affordable homes to be delivered through its housing delivery partnership. These targets have been incorporated into the Corporate Plan which sets targets to deliver 110 affordable homes each year on market sites, with an additional 30 affordable homes to be enabled by the Council each year. It should be noted that these targets apply to the whole of Chichester District, including the area within the SDNP.

8.24. Table 19 shows affordable housing completions within the Local Plan area (excluding completions in the National Park area), as recorded by the Council's Housing Delivery team. The figures show affordable housing units at the date on which they become available for occupation. It should be noted that these figures differ from the completions figures recorded by WSCC. This is mainly due to the date at which the housing has been recorded as completed.

Table 19: Affordable housing completions 2012-2018 (Source: CDC Housing Delivery Team)

Gross affordable housing completions	Delivered on market sites (Section 106 agreements)	Rural exception sites	Additional affordable housing	Total affordable housing (gross)
2012-13	43	15	31	89
2013-14	91	0	0	91
2014-15	139	17	78	234
2015-16	107	15	62	184
2016-17	132	11	0	143
2017-18	136	0	21	157
Total 2012-2018	648	58	192	898

8.25. The majority of affordable housing built was provided in association with market housing developments, where the affordable housing was delivered through a planning obligation (S106 agreement). There is a presumption that no Government grant will be available to assist the delivery of affordable housing on market sites and therefore delivery of affordable housing is generally now directly dependent on subsidy from private housing developments. During the year, affordable housing was delivered on a range of market housing developments including Maudlin Nursery, Westhampnett, North of Shopwhyke Road, Shopwhyke, North East of Tangmere Military Museum, (Gamecock Terrace) Tangmere and North of Park Road, Selsey.

Tenure mix of affordable housing

8.26. In planning for new affordable housing, the Council's Housing Delivery team aims to achieve an overall tenure split of 70% affordable/social rented housing and 30% intermediate forms of tenure (i.e shared ownership or shared equity). These percentages are based on the assessment of the net need for different types of affordable homes for Chichester District (including the National Park area) identified in the Coastal West Sussex Strategic Housing Market Assessment 2012.

8.27. Table 20 shows that in the monitoring year to 31 March 2018, 64% of affordable housing completions were affordable/social rented with 36% intermediate housing (mostly shared ownership). This tenure split reflects the Council's target quite closely. Affordable housing needs have been reviewed in the Council's Housing and Economic Development Needs Assessment (HEDNA). In future, the proportion of intermediate housing is likely to increase due to development

viability considerations caused by the introduction of the Government's rent reduction policy and a reduction in the availability of affordable housing grant.

Table 20: Tenure mix of affordable housing completions 2016-2018 (Source: CDC Housing Delivery Team)

	Affordable / social rented	Intermediate housing	Total
Affordable housing mix - SHMA policy target	70%	30%	100%
Affordable housing completions 2017/18 (gross)	101	56	157
% of total affordable housing completed	64%	36%	100%

<p>Key Indicator: H6</p> <p>Net additional Gypsy, traveller and travelling showpeople pitches and plots granted planning permission each year</p>
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8.28. Policy 36 in the Chichester Local Plan identifies that 59 pitches for Gypsy and travellers and 18 plots for travelling showpeople are required in the Plan area by 2027. It also specifies that 37 of the 59 pitches and 11 of the 18 plots are required by 2017. Policy 36 was informed by the need identified in the Gypsy, Travellers and Travelling Showpeople Accommodation Assessment (GTAA) 2013, which has a base date of September 2012.

8.29. During the monitoring period one site was granted permanent planning permission for two Gypsy and traveller pitches. A total of 58 Gypsy and traveller pitches have been granted permanent planning permission in the Plan area between September 2012, which is the base date of the GTAA, and 31 March 2018 (end date of this monitoring period). Therefore in accordance with Policy 36 the requirement to provide 37 pitches by 2017 has been achieved. It should be noted that since March 2018 a further 9 pitches have been granted permanent planning permission.

Table 21: Net additional Gypsy and traveller pitches

Pitches granted permanent planning permission in monitoring period	2
Existing pitches lost as a result of development or closure in	0

monitoring period	
Net additional pitches in monitoring period	2
Total number pitches granted permanent planning permission between September 2012 and March 2018	58

8.30. No sites were granted permanent planning permission for travelling showpeople plots in the monitoring period. A total of 17 travelling showpeople plots have been granted permanent planning permission in the Plan area between September 2012, which is the base date of the GTAA, and 31 March 2018 (end date of this monitoring period). In accordance with Policy 36 the requirement to provide 11 travelling showpeople plots by 2017 has been achieved.

Table 22: Net additional travelling showpeople plots

Plots granted permanent planning permission in monitoring period	0
Existing plots lost as a result of development or closure in monitoring period	0
Net additional plots in monitoring period	0
Total number plots granted permanent planning permission between September 2012 and March 2015	17

Environment

8.31. The data for the key indicators EN1 and EN6 covers the whole of Chichester District, including the SDNP. In addition key indicator EN3 covers a section of the Solent shoreline and includes data from one site (Warblington) located outside of the district due to set survey routes.

Key Indicator: EN1

Proportion of SSSIs in favourable or unfavourable recovering condition.

8.32. The Natural Environment and Rural Communities Act 2006 aims to make biodiversity a consideration in policy and decision making processes. This is reinforced in the NPPF, which sets out that the planning system has an environmental role to play that is fundamental to achieving sustainable development.

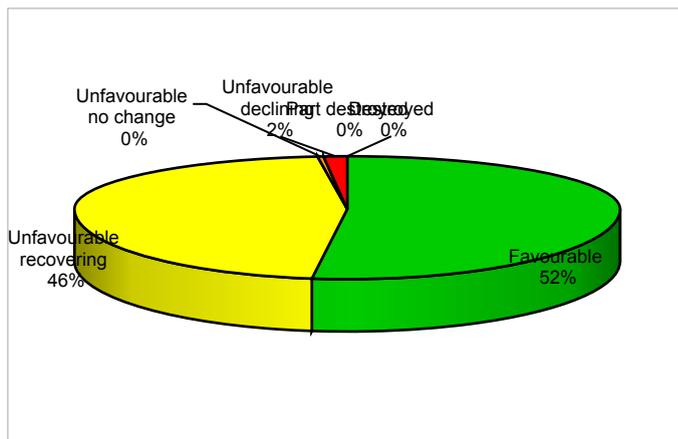
8.33. The Council's planning policies seek to protect designated sites and habitats from the harmful effects of development and to ensure that development proposals protect, manage and enhance the local network of ecology,

biodiversity and geological sites, including designated sites (statutory and non-statutory), priority habitats, wildlife corridors and connections between them.

8.34. The Sussex Biodiversity Record Centre (SNRC) provides information on the condition of Sites of Special Scientific Interest (SSSI) based on condition assessment undertaken by Natural England. Figures 2 and 3 show the condition of SSSI units in Chichester District (including the SDNP) and West Sussex as a whole.

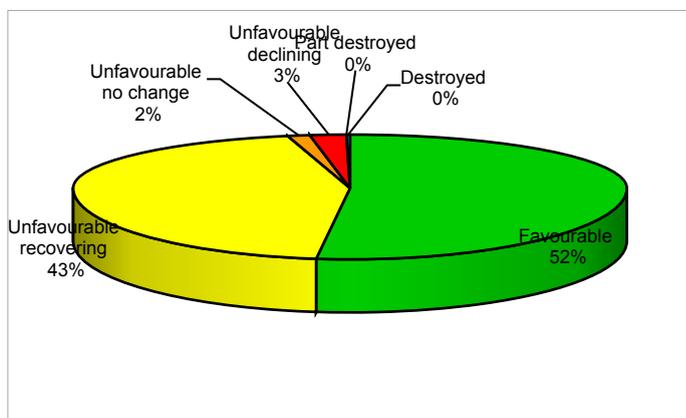
8.35. In Chichester District, 51.6% of SSSI units are considered to be in a favourable condition, which is similar to the overall County figure of 51.7%. Of the SSSI units in the District assessed as being in unfavourable condition, 100 are categorised as recovering against only 4 assessed to be declining, with 1 unit showing no change. These figures (97.7%) meet Natural England's target that 95% of the SSSI area should be in favourable or recovering condition.

Figure 2: Chichester District SSSI Unit Condition (Source: SBRC)



Condition	No. of Units	% of Units
Favourable	112	51.6
Unfavourable recovering	100	46.1
Unfavourable no change	1	0.5
Unfavourable declining	4	1.8
Part destroyed	0	0.0
Destroyed	0	0.0
Total no. of units	217	

Figure 3: West Sussex SSSI Unit Condition (Source: SBRC)



Condition	No. of Units	% of Units
Favourable	185	51.7
Unfavourable recovering	157	43.9
Unfavourable no change	5	1.4
Unfavourable declining	10	2.8
Part destroyed	0	0.0
Destroyed	1	0.3
Total no. of units	358	

Key Indicator: EN2

Preparation of Green Infrastructure Strategy by 2014

- 8.36. The Chichester Local Plan was adopted in July 2015. Policy 52 of the Chichester Local Plan sets out the expectations for new development to contribute to the network of green infrastructure across the Plan area. Paragraph 19.69 of the Chichester Local Plan states “A more detailed Strategy will be produced as a SPD which will identify a range of more specific requirements to improve and maintain links into and between settlements, open spaces, natural assets and the biodiversity networks. The Strategy will also provide guidance on the protection, enhancement and management of the defined “Green Network”, identify any deficits of green infrastructure in the surrounding area, advise on mitigation and the financial contributions required and will be a tool for Development Management in considering planning applications.”
- 8.37. One of the priorities for the SPD was to identify the potential for creation of new or enhanced green infrastructure (GI) in relation to the strategic sites. However, this aspect has now been covered within the Concept Statements prepared by the Council for the West of Chichester and Westhampnett/North East Chichester Strategic Development Locations, the Tangmere Neighbourhood Plan and subsequent master plans prepared by the developers, for instance Shopwyke and West of Chichester.
- 8.38. The overarching Green Infrastructure Delivery Document is available on the Council’s website (<http://www.chichester.gov.uk/policyguidance#green>) and is guidance rather than formal policy. Therefore the delivery document does not have the same status or weight as an SPD; however, it brings together all the mechanisms and documents which provide guidance for planning applications for the delivery of GI as part of new development in the Local Plan area. The Green Infrastructure Delivery Document will be updated as new information becomes available.

Key Indicator: EN3

Visitor numbers and activities impacting on recreational disturbance within Chichester and Langstone Harbours SPA/ Solent Maritime SAC, Pagham Harbour SPA and Medmerry compensatory habitat.

- 8.39. Chichester and Langstone Harbours and Pagham Harbour are designated as internationally important wildlife sites (Special Protection Areas). The Council has a legal duty to protect designated bird populations and the habitats that

support them and consider whether development may have a 'likely significant effect' on the Harbours.

8.40. The data for key indicator EN3 covers sections of the Solent Shoreline and includes data from one site (Warblington) located outside of the district due to set survey routes.

Chichester and Langstone Harbours SPA

8.41. As part of the Bird Aware Initiative evidence was collected from a series of car park transects, undertaken during the Winter 2016/17, counting parked cars and people around the Solent shoreline. The results collected provide baseline data for monitoring visitor numbers around the Solent.

8.42. Survey Route 6 (Emsworth-West Wittering) encompasses 18 coastal car parks (one located outside of the District in Warblington). These were surveyed 12 times over the winter period and included a total of 887 car parking spaces. An average of 139 vehicles was counted per survey event, which equated to 33.4% occupancy or 0.16 vehicles per parking space. The car park surveys also included vantage point surveys which looked at the number of people on the coast at certain points, and what activities they were undertaking. The main activities recorded were walking and dog walking.

8.43. As the data collected marks the baseline year for the survey, no trend can yet be determined. The surveys will be re-run using the same routes in Winter 2018/19 and 2020/21.

8.44. In the winter of 2017/18 Bird Aware undertook visitor surveys at 10 coastal locations across the Solent. At each location a tally of visitors was kept and interviews conducted with a sample of visitors. West Itchenor was the one survey location in Chichester District.

8.45. For West Itchenor 91 groups were recorded, comprising 169 people and 50 dogs, making the site the 5th busiest of the 10 surveyed. From the 91 groups, 30 were interviewed: 14 (47%) were dog walking and 12 (40%) walking, a lower proportion of dog walking than the Solent-wide average split of 66% dog-walkers and 21% walkers. West Itchenor also had a markedly lower proportion of visitors arriving on foot (27%) than other Solent sites and a correspondingly higher percentage arriving by car (73%). This pattern was reflected in the home postcode data collected which showed a greater spread of distances travelled (1-17km) to visit the site than all but one other of the sites surveyed. Most of the other eight surveys points showed visitors coming from a 0-6km range.

- 8.46. For West Itchenor only 40% of the interviewed visitors were frequent visitors, much lower than the Solent-wide average of 71%. A pattern emerges that visits to West Itchenor tend to come further (but still within the District), come by car, visit less frequently than visitors on foot and walk a longer route (3-6km) once at the Harbour. This in turn, suggests that increased population at the settlement hubs would in turn, without mitigation, tend to increase visitors at the harbour.
- 8.47. The Visitor survey gives a baseline level of data for the Bird Aware project. The survey is due to be repeated at the same 10 survey locations in the winter of 19/20 and at intervals thereafter. Over time, a trend will emerge and be reported on in future AMRs.

Pagham Harbour SPA and Medmerry

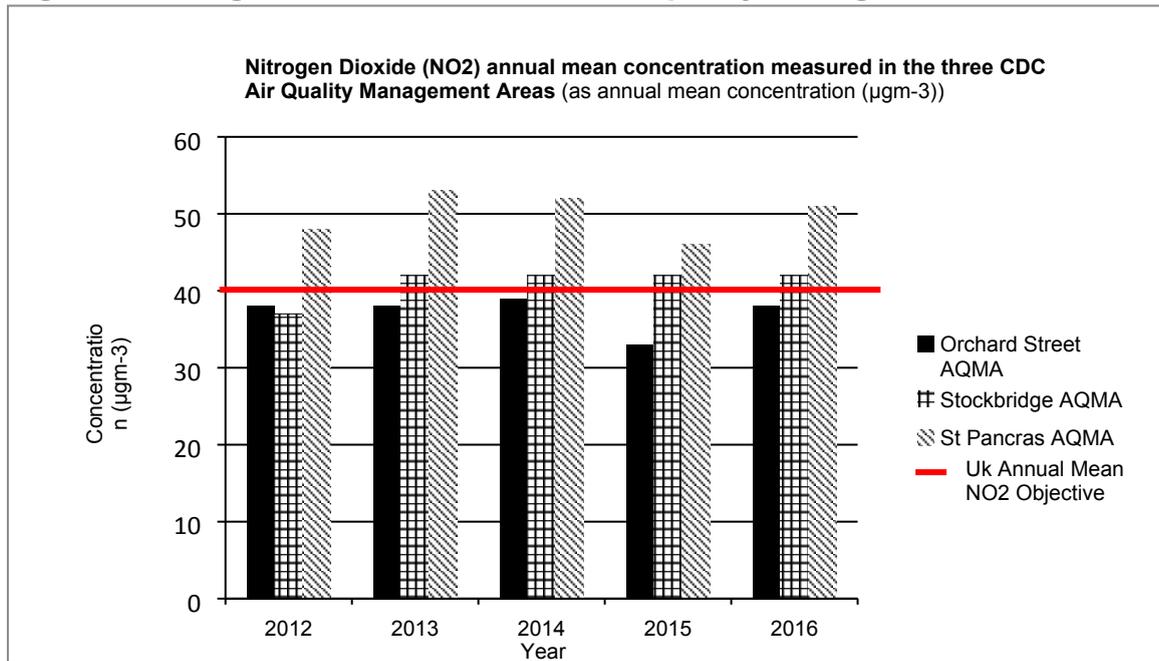
- 8.48. For Pagham Harbour there is limited monitoring data. A Joint Scheme of mitigation, with Arun District Council was agreed by Cabinet in January 2016. Subsequently in May 2017, a revised scheme was agreed following changes to Arun's projected housing numbers within the zone of influence for the harbour. Whilst the strategic mitigation has now been agreed, implementation is only due to start in winter 2018/19 and currently no monitoring for the area has been completed within the monitoring period.

Key Indicator: EN4

Air Quality Management Areas Nitrogen Dioxide levels

- 8.49. Air Quality Management Areas (AQMAs) exist where air quality fails or is likely to fail an Air Quality Objective prescribed in regulations. In Chichester city transport movements and traffic congestion have a detrimental impact on air quality, which has resulted in the designation of three AQMAs. The three AQMAs are in parts of St Pancras, Orchard Street and Stockbridge roundabout.
- 8.50. Figure 4 indicates that the nitrogen dioxide annual mean concentration ($\mu\text{g}\text{m}^{-3}$) in the AQMAs of Orchard Street, Stockbridge and St Pancras was $38\mu\text{g}\text{m}^{-3}$, $42\mu\text{g}\text{m}^{-3}$ and $51\mu\text{g}\text{m}^{-3}$, respectively, in 2016. In 2017 the annual mean concentration was $33\mu\text{g}\text{m}^{-3}$, $39\mu\text{g}\text{m}^{-3}$, and $44\mu\text{g}\text{m}^{-3}$. This shows that levels have decreased in all three AQMAs by $5\mu\text{g}\text{m}^{-3}$ within Orchard Street, by $3\mu\text{g}\text{m}^{-3}$ within Stockbridge and by $7\mu\text{g}\text{m}^{-3}$ within St Pancras. It is noted that in 2017 the air quality limit for nitrogen dioxide within the St Pancras AQMA was above the UK annual mean nitrogen dioxide objective level.

Figure 4: Nitrogen dioxide levels in the air quality management areas



Key Indicator: EN5

Conservation Areas with Character Appraisals

8.51. The aim of a Conservation Area Character Appraisal (CACA) is to improve the understanding of the history and historical context of the area and to increase awareness of exactly what it is about the conservation area that makes it special. In addition it helps shape future developments and planning policies, as well as giving residents an idea of what enhancements could be made.

8.52. This key indicator seeks to review three CACAs per year during an eight year rolling programme. As part of a program to update all the districts Conservation Area appraisals, the CACA for Fishbourne, published in March 2007, has been reviewed and updated. The review of the Conservation Area included an examination of the existing boundaries of the Conservation Area to consider the potential for other areas to be included and, if appropriate, where existing areas should be excluded. A public consultation on the revised character appraisal document, proposing changes to the Conservation Area boundary and proposals for additional planning controls through the use of Article 4 Direction to protect the area's character, was carried out between 16 June and 28 July 2017. The Fishbourne CACA review was subsequently approved by Cabinet in May 2018 though the Article 4 Direction has yet to be made. The Chichester CACA review, following a final consultation, was approved by Cabinet in September 2016 and the Article 4 Direction was confirmed on 20 September 2018. The Selsey CACA review has been finalised and with the

addition of a new conservation area at 'Old Selsey', was approved by Cabinet in September 2017. The Article 4 Direction is yet to be made.

Key Indicator: EN6

Carbon dioxide emissions - total and by sector per capita

8.53. Table 28 below provides a breakdown of CO2 emissions across the whole of Chichester District, including the SDNP.

8.54. The Department for Business, Energy and Industrial Strategy published figures for carbon emissions for local authorities for 2016 in June 2018. There is a two year time lag in terms of the Department for Business, Energy and Industrial Strategy reporting carbon emissions data. However, the most recent publication shows the per capita local CO₂ emission estimates; industry and commercial, domestic and transport sectors for the years 2005 to 2016. The table below indicates that from 2013 levels, whilst levels rose slightly between 2014 and 2015, there has been a significant decline in carbon emissions in Chichester District since 2013.

Table 23: Carbon emissions estimate (kilotonnes CO₂) (Source: Department for Business, Energy and Industrial Strategy)

Year	Industry and Commercial	Domestic	Transport	Total
2013	327.6	287.3	306.2	789.30
2014	261.7	243.5	312.4	683.80
2015	290.2	235.5	321.3	709.30
2016	266.7	220.5	330.1	680.30

Strategic Infrastructure

8.55. The Environment Agency has been consulted throughout the monitoring year on all relevant planning applications submitted to the Council for consideration.

Key Indicator: S1

Number of planning applications approved contrary to advice given by the Environment Agency on flood risk issues.

8.56. In the monitoring year the Environment Agency objected to two planning applications on flood risk grounds. Table 24 sets out details of the Environment Agency objections and how they were addressed. Consequently the Council did

not grant permission for any planning applications contrary to the advice of the Environment Agency on flood risk grounds during the monitoring period.

Table 24: Planning applications where the EA has objected on flood risk grounds

Application Number and Location	Description	EA Objection Reason	Council Decision
<p>17/01097/FUL</p> <p>Boxalland Farm, Village Road, Kirdford</p>	<p>Demolition of modern outbuildings/extension, conversion of barn into a swimming pool and annexe; erection of a detached single-storey garage and plant room building and the realignment of the existing access drive</p>	<p>In May 2017, EA objected to the application as they considered it had not been demonstrated that the proposed development would be safe without increasing flood risk elsewhere.</p> <p>A revised Flood Risk Assessment (FRA) was submitted and the EA were able to remove their objection to the planning application.</p>	<p>Permitted September 2017.</p>
<p>17/02753/FUL</p> <p>Manchester House , North Street, Westbourne</p>	<p>Change of use of storage space on first and second floor above existing shop premises to form 1 no. flat.</p>	<p>In December 2017, EA objected on the grounds that the development had not been demonstrated to be safe from flood risk, in accordance with national planning policy. A revised FRA was submitted and the EA were able to remove their objection to the proposed development.</p>	<p>Permitted with S106 February 2018.</p>

Key Indicator: S2

Number of planning applications approved contrary to advice given by the Environment Agency on water quality issues.

In the monitoring year no objections were received from the Environment Agency to planning applications on water quality grounds.

9. Appendices

Appendix 1 – Monitoring Reports from Parish Councils with Made Neighbourhood Plans

1. Bosham Neighbourhood Plan

BOSHAM PARISH NEIGHBOURHOOD PLAN

Monitoring Report

Within this period we were still awaiting the examiner report on the CDC SADPD which included the allocation of 50 houses. This delayed the planning application on this site.

Policy 9

- 1.1. The Parish council decided at MinRef: C18/79.1.2 not to progress the 20mph limit in Station Road. Further to this resolution a local residents group the Bosham Association (BA) came to the February meeting to present a case for introducing 20mph scheme throughout all the residential areas in Bosham. It was therefore left to this group to take up any further village consultation.
- 1.2. The parish council asked the school to provide the evidence for a pedestrian crossing on the A259 to be presented at the Parish Assembly meeting.

2. Infrastructure

- 2.1. Because of the traffic management costs associated with works to the Swan Roundabout, balanced against the available budget, Highways could not let it be considered as part of the works package being put forward for 2018/19. However, drop kerbs in Delling Lane are to be considered.
- 2.2. The Hedge project made good progress in replanting on the North of the A259

3. **Monitoring and review** - Progress is monitored by the full Parish Council at its monthly meetings.

2. Kirdford Neighbourhood Plan

Kirdford Parish Neighbourhood Plan 2014 – Monitoring Report 03/01/19

This Council has continued to engage with developers to secure delivery of the objectives of the KPNP 2014. Notable projects have included:

Policy KSS1 – Land to the north of Kirdford Growers – Permission has now been granted to Cala Homes for the development of 54 dwellings on this site. Reaching an agreement with the developer has been a tough process, mostly attributed to their persistent attempts in circumventing the published policies requiring phasing of the project. The phasing of the project was always intended to be a mechanism for allowing a cohesive plan to be designed but built in line with local (Kirdford Parish Council) need. As a consequence of the developer refusing to bring forward a policy compliant plan, Policy KSS1 is being delivered later than planned. Permission/ Decision issued 22 Nov 2018. The application was first made 07 Oct 2015.

The Parish Council remains feeling let down by Chichester District Council and its interpretation of the phasing requirement of Policy KSS1. Whilst we appreciate that a compromise has been achieved, the intent and spirit of the policy has, in our opinion been ignored.

To date, the developer has not acknowledged the Kirdford CLT. Nor have they made any attempt to work with the CLT, in order to reach agreements which would benefit the local community in terms of asset transfers and management rights/ agreements.

Policy KSS2a and KSS2b Land at Townfield – The Parish Council responded positively to Think Villages, a development company with an option on the land who is seeking to deliver the proposals, within the policy objectives, in conjunction with the Parish Council, its Housing Association partner and CDC Housing Dept. Unfortunately, the developer withdrew from the project without clarifying any reasons. The landowners, we understand are still supportive of the development.

Policy CP.2 – The village commercial hub – the Parish Council and the CLT has made a number of approaches to the agent acting for the landowner with a view to procuring or jointly delivering the objective of the policy. No response was forthcoming and the land was sold to a new owner who is pursuing his own proposals for developing the site. Two separate applications have been submitted to the LPA, one in compliance of the policy which was supported by the Parish Council, the second recently submitted is awaiting further details to be submitted.

General Policies – the general policies in the plan have been cited by the LPA and Planning Inspectorate in their determination of applications and appeals and appear to have been reasonable and appropriate when referenced as justification for the decisions made. There is concern locally that in regard to Policy KSS1 the LPA is

seeking to set aside some aspects of the Policy by way of other material considerations. Whilst this is normally acceptable practice, arguably the LPA's allocation of weight to other material consideration seem to favour District needs ahead of local sustainability requirements.

3. FISHBOURNE NEIGHBOURHOOD PLAN MONITORING REPORT (1 April 2017 – 31 March 2018)

PROJECTS

1. Housing & Planning

Proportion of sustainable homes agreed with Pallant Homes and Taylor Wimpey. Affinity Sutton development all affordable. *All developments now complete.*

Policy D1 provides guidance to Councillors when considering new builds or extension applications which assists openness and transparency.

The Conservation Character Appraisal carried out by the District Council in 2018 strengthens the NP Policy H1 Heritage Protection. This Policy successfully influenced the design of a replacement property in a dominant position to be more in keeping with the original .

2. Local Economy and Tourism

There has been no progress during this period.

3. Environment

The Parklands Flood Prevention Group continue their work, funded by Operation Watershed, clearing culverts and the drainage network and surface water flooding in Fishbourne has been considerably reduced through their work.

4. Travel and Transport

Speed Indicator Devices (Project 7b) – implemented in September 2017. 3 devices used across 5 locations managed by volunteers. This project has attracted a great deal of comment within the village, overwhelmingly positive. The effect on reducing speed is noticeable and the rotation of location reduces driver complacency.

5. A Sense of Community

Village Signs – installed in August 2017. Format of replacement village signs agreed with WSCC Highways – white lettering on a green background and including the word ‘village’ to emphasise the individual identity of Fishbourne.

Parish Office established in the Fishbourne Centre – open to the public on two days a week.

Outdoor Gym – New Homes Bonus secured in September 2017 to fund this community facility.

Fishbourne Companions – this group, supported by the Parish Council, was launched in January 2018, to give an opportunity for isolated people to come and meet regularly and enjoy stimulating activities.

Monitoring and Review

Progress is monitored by reports/recommendations to the full Parish Council at its monthly meetings. Updates on projects appear on the Parish Council website, in Village Voice and the PC Facebook page and via the Keeping in Touch email flashes.

4. Chidham & Hambrook Neighbourhood Plan

Monitoring Report to 31 March 2018

Report Period.

This report covers the period between 1 April 2017 and 31 March 2018.

1. The Chidham & Hambrook Neighbourhood Plan has proved a useful document over the last 12 months being referred to in a number of planning applications.
2. The first of two new open spaces identified within the plan known as Hawthorne Meadow, has now been transferred in to Parish Council ownership. The second of the two should also be transferred in the next twelve months. These are identified in the Settlement Area Map in green. Work has started on the maintenance and improvements to this area which eventually be incorporated with the second open space.
3. In the 12 months to end of March 2018 a number of planning applications were put to the Parish Council for consideration of which the following made reference to the Neighbourhood Plan as a guiding document. During the committees review of each application where necessary, especially applications for a number of dwellings, the committee made reference to the relevant sections of the Neighbourhood Plan. The following applications were of particular note regarding the Neighbourhood Plan Policies on land allocation, environment and landscape. I have not listed every planning application reviewed by the committee as they were mainly for small extensions to existing buildings.

17/01646/DOM Single storey side and rear extension.

Chidham & Hambrook Parish Council raises no objection to this planning application. However it considered the proposed flat roof to the new extension is not in keeping with the style and character of the main dwelling which has a thatched roof. This is reflected in bullet point 9 of Neighbourhood Plan Policy DS1.

17/02254/FUL Jutland House, Kiln Drive Hambrook PO18 8FJ

Change use of existing vacant building to 8 no. apartments (5 no. 2 bed, 3 no. 1 bed) on ground, first and second floor, with flexible A1/B1/D1 use on one half of the ground floor, including elevational alterations, parking and landscaping. Although the Planning Committee accepted this application it was still felt it was a missed opportunity for new business to come in to the area as reflected within the Neighbourhood Plan Section 4.

17/03622/OUT Ronic House Main Road Bosham PO18 8PN

Outline application with all matters reserved except Access for the re-use of previously developed land (comprising car showroom – sui generis use) for residential development and associated works.

Although the Parish Council objected to the application as it is outlined it fell within the windfall definition and was is good use of a brown field site as a stated preference within the plan. However, there was insufficient reference to the requirement for affordable housing as stated in Policy LP1. The application has since been re-submitted and taken this requirement in to account.

4. The Parish Council are working on several projects to improve the facilities within the Neighbourhood Plan area which at the time were in the very early stages of development as stated in 2 above. These will be reported on in the next report to CDC. We continue to watch landscape and environment to protect the area and ensure all changes and new developments keep the overall rural nature of the village where possible.
5. The Neighbourhood Plan is monitored by the Parish Council and referred to when making planning decisions and reviewing changes to the Parish. The wording of Policy LP1 regarding windfall sites will be re-worded when the plan is revised in 2019.

5. WISBOROUGH GREEN PARISH COUNCIL

NEIGHBOURHOOD PLAN MONITORING REPORT TO 31ST MARCH 2018 Prepared December 2018

Wisborough Green's Neighbourhood Plan was 'made' by the South Downs National Park Authority on 9th June 2016 and Chichester District Council on 19th July 2016.

General

1. The Neighbourhood Plan (NP), in conjunction with the Village Design Statement produced as supporting evidence, continues to be a useful working document for both the Parish Council and developers.
2. The Parish Council is pleased to see reference to NP policies in both CDC decision statements as well as Planning Inspectors' Appeal Decisions.
3. In terms of the development sites identified in the NP, the site for 10 residential caravans, Greenways Nursery, has been delivered and the properties are being marketed. However, despite the site having been prepared to receive the caravans, it appears that there is little interest with only one caravan being on site.
4. The Jones Homes Site (Land South of Meadowbank, now named Great Meadow) is being progressed and marketed. Construction commenced March 2018 and the show home opened in December 2018.
5. Development on the Runnymede Site (Winterfold Fields, with the proposed name Songhurst Meadow) has not commenced, although anticipated early 2019.
6. Planning permission for the remaining site, Clark's Yard, has not been progressed.
7. As mentioned in the report for year ending March 2017, the examiner removed a policy relating to off-road parking within a development. It is felt by the Parish Council that West Sussex County Council guidance is inadequate in a rural village, particularly where all parking must be contained within the site, such as Great Meadow, where parking on the A272 is not possible. Development of the site commenced early 2018 and despite there being a planning requirement that all construction traffic is accommodated on site, this has not been achieved. Contractors' vehicles have been parked around the village centre, resulting in traffic congestion and obscuring visibility at junctions for drivers and pedestrians. The Parish Council hopes that this is not an indication that onsite parking provision for future residents will be inadequate, leading to pavement parking and parking difficulties already evident on existing estates which were built without providing parking provision to meet today's needs. The Parish Council is disappointed that the examiner and current policy makers continue to promote inadequate parking provision for today's needs and do not have the foresight to address future needs

Policies

1. Policy OA2: Spatial Strategy and Policy OA3: Settlement Boundary - Having a NP in place has provided guidance and ensured a consistent approach to the decision process. An application for 30 extra-care units and community buildings on green fields in Kirdford Road (Stable Field) and conversion of a commercial equestrian barn to 3 dwellings (Old Helyers Farm) were both refused on appeal. The appeal decision notice has given insight to where relevant policies could be strengthened and changed to remove ambiguity.
2. Policy HO1: Housing Need – a housing need survey was undertaken in November 2018 which supported NP consultation responses that the greatest need was for 1 and 2 bedroom properties.
3. Policy IN3: Street Lighting – the current developers have taken on board the Parish Council's wish to promote dark skies within the village. Street lighting on the Great Meadow site was removed and lighting of the new show home (launched December 2018) is switched off at 9.30pm. As stated in the November 2017 report, it is the intention to rename the policy and promote dark skies in the parish, in support of South Down National Park policy.
4. Policy IN4: Renewable Energy Schemes – The Parish Council is keen to promote renewable energy, however, this has proved a challenge for developers in an area where electricity power failures do occur. It was the intention that properties on both Great Meadow and the Winterfold site would be heated by air source heat pumps. Permission was granted to change to centrally stored Calor Gas on Great Meadow, and it is anticipated that this will also be proposed for the Winterfold Site.

Local Plan Review

In view of the Local Plan Review and the proposed requirement that Wisborough Green provide a further 25 houses, it is the Parish Council's intention to undertake a Neighbourhood Plan review. A Steering Group, including community members, has been established. The Group will consider policy review, site identification and public consultation with a view to following closely behind the Local Plan adoption, as detailed in the CDC timetable.

6. Birdham Neighbourhood Plan Monitoring Report

Made Neighbourhood Plans (1 April 2017 to 31 March 2018)

Purpose

The purpose of this report is to provide information relating to the effectiveness of the policies contained in the Birdham Neighbourhood Plan, to assist Chichester District Council with the compilation of an Authority Monitoring Report .Although the period covered is 1 April 2017 to 31 March 2018 significant events occurring since 31 March 2018 are also noted.

Background

The neighbourhood area for Birdham covers the whole of the Parish of Birdham.

At a Full Council meeting on 19 July 2016 it was confirmed that the Birdham Parish Neighbourhood Plan, Submission Plan (incorporating Examiner’s modifications and all modifications as per the Decision Statement), complied with the legal requirements and basic conditions set out in the Localism Act 2011, and as a result of Full Council resolution of 19 July 2016 has been ‘made’.

The vision of the Neighbourhood Plan is “To enhance Birdham as a beautiful harbour-side Parish with a close, supportive community at its heart, and to promote a sustainable thriving economy with a robust infrastructure and maintain the Area of Outstanding Natural Beauty, ecology and character of the harbour, canal and its rural and agricultural surroundings.”

To meet this vision, 7 objectives were established, which lead to 24 policies drawn up. A summary follows:

Summary of Objectives

Objectives	Policies
<p style="text-align: center;">HERITAGE</p> <p>Protection & Enhancement Protect and enhance the Parish’s heritage for the benefit of tourists, existing residents and education of future generations.</p>	1 - 2
<p style="text-align: center;">ENVIRONMENT</p> <p>Conservation & Enhancement Conserve and enhance important ecological sites and links, including hedgerows, ditches and key species in these habitats.</p>	3 - 6
<p style="text-align: center;">COMMUNITY & LEISURE</p> <p>Preservation & Enhancement Preserve and enhance existing open community spaces and buildings and widen their use, including additional amenities and ensure community amenities are easily accessible to any new development to provide a ‘Sense of Community’.</p>	7 - 8
<p style="text-align: center;">TRANSPORT</p> <p>Infrastructure Improve existing sustainable transport connections to and within the Parish, including public transport and access across major roads.</p> <p>Road, Pedestrian & Cycle Safety Locate new development within walking distance of amenities and address the actual and perceived safety issues on roads and associated footpaths and cycle paths within and alongside residential areas.</p>	9 10 - 11
<p style="text-align: center;">HOUSING</p> <p>Housing Development Accommodate sustainable housing development in accordance with the Chichester Local Plan and ensure that the development of sites is appropriate for this rural location.</p> <p>Housing Density & Design Ensure that the design, style and density of new housing are in keeping with the character of the Parish and the rural environment and that it is sustainable, free from flood risk with adequate parking provision and appropriate landscaping.</p> <p>Housing Need Ensure that the mix of housing types and supply of social and affordable housing meets the needs of the Parish.</p>	12 - 15 16 17

DRAINAGE	
<p>Surface Water Identify issues to reduce the risk of surface water flooding in Birdham and immediate surrounding areas and take measures to ensure proper controls are applied to any development to eliminate flood risk.</p>	18 - 20
<p>Waste Water Identify issues to eliminate the risk of sewage infiltrating into surface water systems and properties and risks of discharge into the environment and ensure that there is sufficient headroom at the treatment works for any additional development.</p>	21
BUSINESS/LOCAL ECONOMY	
<p>Development & Growth Support the retention, development and sustainable growth of new and existing businesses, including core industries important to the local economy and community and home workers.</p>	22 - 23
<p>Business Infrastructure Improve mobile phone signals and provision of high speed broadband.</p>	24

This Report will measure progress, firstly against the Policies, and then the Action plan

Evaluation

Heritage

Policy 1 - Heritage Assets & Their Setting

Any development must conserve or enhance the heritage assets of the Parish and their setting, including maintaining settlement separation

Policy 2 – Archaeological Sites

Non householder development on previously undeveloped land must allow for the investigation and the preservation of archaeological remains and protect recognised sites of archaeological importance, where appropriate.

These policies have been met during the monitoring period. A planning application was submitted (after 31st March 2018) by Birdham Pool for the provision of 9 houseboats on the inner pool. Birdham Pool is considered one of Birdham's heritage assets, and Birdham Parish would not wish to see any development on the inner pool. The planning application was refused.

Environment

Policy 3 – Habitat Sites

Development must avoid harming existing ecological assets.

Policy 4 – Landscape

Character and Important Views Any development must maintain the local character of the landscape.

Policy 5 –

Light Pollution Any development must limit the impact of light pollution from artificial externally visible light sources.

Policy 6 –

Biodiversity Any development must maintain and enhance the current biodiversity status of Birdham, in accordance with the CDC Local Biodiversity Action Plan.

These policies have been met during the monitoring period, although the planning applications and unlawful development on Birdham Farm continued to pose a threat to these policies. The first appeal on this site was dismissed, but there are other appeals to come. The site is fully developed, no departures have taken place since the expiry of the date set by the Appeal Inspector, and this site remains a serious affront to our Neighbourhood Plan, and indeed, to the whole of the planning system and its enforcement.

Community and Leisure

Policy 7 - Integration & Sense of Community

New residential development must be designed to integrate well into the existing community.

Policy 8 – Retention of Assets of Community Value and Other Facilities

The Neighbourhood Plan will resist any change of use or loss of Assets of Community value

These policies have been met during the monitoring period.

Traffic Impact

Policy 9 Traffic Impact

Any new development within the Parish with a significant traffic impact will only be supported if that impact can be mitigated via developer contributions to measures agreed with the highway authority.

Policy 10 - Footpaths & Cycle Paths

Any development must protect the existing cycle and pedestrian network. New development with significant traffic impact will be expected to contribute to the enhancement of the footpath and cycle network.

Policy 11 Village Severance

New development on the edges of the village or away from the main amenities of the village should provide safe access to reduce village severance

Although these policies have been met during the monitoring period, traffic remains a source of considerable frustration for Birdham residents. No progress has been made on the A27, and the only proposal currently on the table (in the Local Plan Review 2019 to 2035) were not favourably received by local residents.

Housing

Policy 12 - Housing Development

The indicative parish housing number for Birdham Parish in the adopted Local Plan is 50. The following sites are estimated to be capable of delivering growth of 79 units for the neighbourhood plan period 2014- 2029, including an adequate number of affordable housing units.

The current state of housing development is: -

Site	Number	Current status
Rowan Nursery, Bell Lane	25	Building in progress
Tawny Nursery, Bell Lane	30	Completed
Site off Crooked Lane -	15	Technical start made
Chichester Marina (Opal Building)	9	Completed

Policy 13 - Settlement Boundary

The Settlement Boundary Area (SBA) for Birdham has been reviewed.

Policy 14 - Windfall Sites

Within the terms of this policy, the following housing has been approved:

Site	Number	Current Status
Birdham Pool	4	Complete
Rear of Ayton, Main Road	3	Complete
Rear of Sarnia, Chaffinch Close	4	Planning application approved

Policy 15 - Rural Area Policy

Development within the rural area will be in accordance with the NPPF paragraph 55, Local Plan Policy 45 and the General Permitted Development Order

Policy 16 - Housing Density & Design

Policy 17 - Housing Need

Any development must contain a mix of housing sizes and types to suit the demographic characteristics and requirements of the Parish, and social and affordable housing must be allocated in accordance with the Chichester District Council Allocations Scheme.

Overall, progress on housing has been good, with 46 houses completed, 30 under construction and technical starts made on 15, and planning permission granted for a further 4, the indicative number of 50 will easily be met. Please note that these houses are meant to be sufficient to last until 2029.

A planning application for 77 houses on Koolbergen, Belfield and Kelly's nurseries was dismissed on appeal. The Neighbourhood Plan was a factor contributing to the appeal decision.

"Wilful unlawful development" (the Inspector's words) has continued on land to the rear of Premier Business Park, Main Road. This development violated a considerable number of Neighbourhood Plan (and other planning) policies. All the planning applications made have been refused, and an appeal on part of the site dismissed. There are further appeals on other parts of the site outstanding. This site was first occupied in May 2015. At the moment there appears to be no date by which the site should be cleared and reinstated. This cannot be considered a satisfactory state of affairs.

Drainage

Policy 18 - Flood Risk Assessment

Policy 19 - SUDS Design & Management Development

Policy 20 - Surface Water Run-off

Policy 21 - Wastewater Disposal

These policies have been met during the monitoring period

Business

Policy 22 - Development for Business

Policy 23 - Retention of Business

Policy 24 - Broadband and Telecommunications

These policies have been met during the monitoring period

In addition to the policies above, an Action Plan was compiled of projects identified during the Neighbourhood Planning process that residents considered should be addressed in order to improve the quality and wellbeing of the village and Parish for the benefit of everyone living and visiting the Parish

Details of the action plan, together with progress made, are below.

Action Plan

Ref	Item	Action	By Whom	Progress
Policy 1	Chichester Canal	Monitor progress and plans by Chichester Canal Society	Parish Council	Ongoing
Policy 4	Maintain open views	Join with bordering parishes in preparing an integrated footpath system that enhances viewpoint access around the Harbour and the interior farmland of the Manhood.	Environment Group	Ongoing
Proposal 1	Playing Field	Seek funds through the Community Infrastructure Levy to improve drainage and facilities	Parish Council	Some improvements made with new equipment.
Policy 9	Crooked Lane	Seek improvements to parking at both ends to improve access and safety.	Parish Council	Ongoing
Policy 10	Footpaths & Cycle Paths	Ensure footpaths and cycle paths are regularly maintained and kept clear.	Parish Council	Ongoing
Policy 10	Safer access	Lobby for pedestrian crossing(s) on A286	Parish Council	Ongoing
Proposal 2	Bus Service	Lobby for extended evening and Sunday services		Ongoing
Proposal 3	Speed restrictions	Follow up results of speed survey and lobby for lower speed restrictions.	Parish Council	Ongoing
Policy 17	Housing Need	Monitor requirements for social/rented housing	Parish Council	Ongoing
Policy 18	Flood Risk Assessment	Lobby for area Flood Risk Assessment	BEFPG	Ongoing
Policy 21	Wastewater	Monitor Southern Water statistics. Report any sewage failure issues	BEFPG General Public	Ongoing
Proposal 4	Ditch Maintenance	Ensure Ditches are cleared and maintained	BEFPG	Ongoing
Policy 24	Broadband & Telecoms	Lobby for improvements to both	Parish Council	Ongoing

Proposal 5	Business Support	Set up local business directory and seek business mentors	Business Group	Ongoing
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Conclusion

The Birdham Neighbourhood Plan has provided a good guide on which to base planning decisions, and has been helpful in a number of instances. Progress towards meeting the indicative housing target is very good, with completions and planning permissions at 90 against an indicative figure of 50, which were required by 2029.

Appendix 2 – Indicative Housing Delivery and Phasing 2012-2029

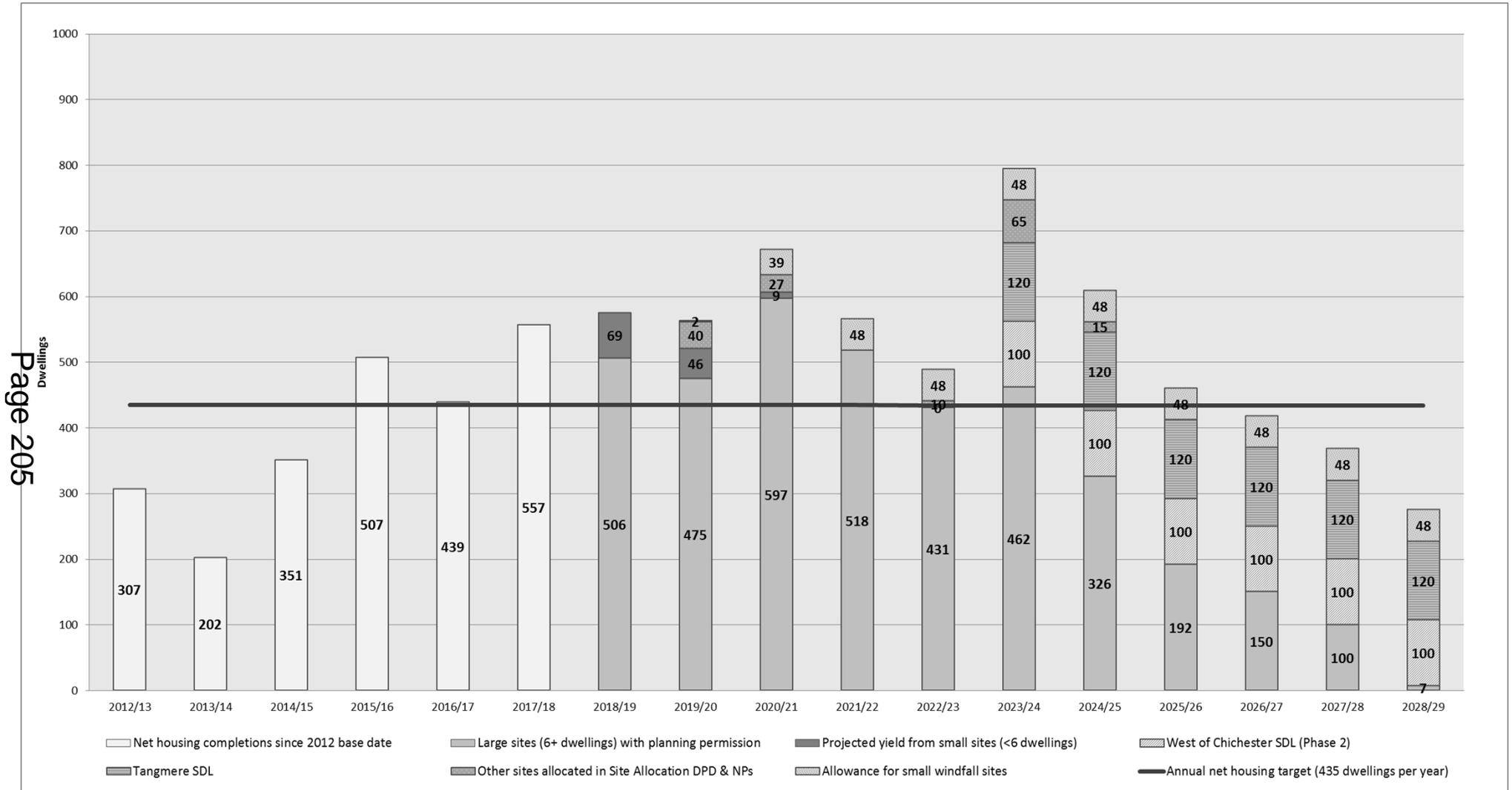
Indicative Housing Trajectory 2012-2029

Local Plan Housing Delivery & Phasing

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2012-19	2019-29	2012-29
Local Plan Area net housing requirement																				
Annual net housing target	435	435	435	435	435	435	435	435	435	435	434	434	434	434	434	434	434	3045	4343	7388
Cumulative net housing requirement	435	870	1305	1740	2175	2610	3045	3480	3915	4350	4784	5218	5652	6086	6520	6954	7388			
Local Plan Housing Provision																				
Existing Housing Provision																				
Net housing completions since 2012 base date	307	202	351	507	439	557												2363	0	2363
Large sites (6+ dwellings) with planning permission							506	475	597	518	452	355	293	192	150	100	7	506	3139	3645
Projected yield from small sites (<6 dwellings)							69	46	9									69	55	124
Sites allocated in Local Plan & neighbourhood plans comprising:							0	40	27	30	10	285	235	220	220	220	220	0	1507	1507
West of Chichester SDL (Phase 2)											0	100	100	100	100	100	100	0	600	600
Tangmere SDL												120	120	120	120	120	120	0	720	720
Other sites allocated in Site Allocation DPD & NPs							40	27		10	65	15						0	157	157
Other identified sites within settlement boundaries							0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allowance for small windfall sites								2	39	48	48	48	48	48	48	48	48	0	425	425
Total Projected Housing Supply							575	563	672	596	510	688	576	460	418	368	275	575	5126	5701
Total Net Housing Delivery	307	202	351	507	439	557	575	563	672	596	510	688	576	460	418	368	275	2938	5126	8064
Housing Supply Position																				
Cumulative net completions	307	509	860	1367	1806	2363	2938	3501	4173	4769	5279	5967	6543	7003	7421	7789	8064			
Monitoring position above/below housing requirement	-128	-361	-445	-373	-369	-247	-107	21	258	419	495	749	891	917	901	835	676			
Five Year Housing Land Supply																				
Adjusted five year housing requirement (+ buffer)	2764	3043	3144	3058	3053	2905	2394	2259	2009	1839	1759	1492	887							
Projected five year housing supply	2056	2429	2641	2806	2963	2916	3029	3042	2830	2652	2510	2097	1521							
Five Year Housing Surplus/Shortfall	-708	-614	-503	-252	-90	11	635	783	821	813	751	605	634							

Local Plan housing requirement
 Actual / projected housing completions
 Annual net housing target (435 dwellings per year)

Appendix 3 - Housing Trajectory 2012-2029



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The Novium and TIC Service

Business Plan 2019-2023 [Phase One] _DRAFT_12.12.18 v2

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Foreword

The Novium Museum and TIC Service opened in its new building on Tower Street in the centre of Chichester in July 2012 and since this date it has grown into a much-loved heritage attraction. Exhibitions such as Tim Peake, Cutlasses and Contraband, Game Plan and Bricks Britannia have positioned the museum as a vibrant and active museum.

The service cares for and develops heritage assets associated with Chichester District, including social history and archaeology, safeguarding a hugely important legacy for future generations. The museum delivers significant educational and economic benefit, and this plan aims to maximise the value of the service to the local community.

With a revitalised Vision, Mission and Values, the Museum and TIC service will continue to strengthen its relationship with, and relevance to, our local community. By embracing and embedding a new, community-oriented vision for the service, it will become more relevant to more people within our community. This, in turn, will contribute to the resilience of the service by building stronger connections with audiences and increasing the local support base for advocacy and income generation.

The Museum and TIC team is committed to providing the best possible service and remains committed to developing income generation in order to work towards a sustainable service. This strategy is an articulation of the ambition for the service over the next 5 years, with acknowledgement that further work is required to develop the plan beyond year 2. This plan will guide and build on the service's existing activities, with the aim of reducing the level of subsidy from Chichester District Council by increasing self-generated income in the longer term.

I am confident that this strategy will enable the service to work towards a stronger position, both in terms of reputation and resilience.

Eileen Lintill

Deputy Leader and Cabinet Member for Community Services

Chichester District Council

Executive Summary

1. The primary audiences for this plan are Chichester District Council's Members, staff, volunteers, Friends of the Museum, Arts Council England and our supporters.
2. The intention of this plan is to set out the actions to be delivered by The Novium and TIC service over the next five years in order to enable business growth and work towards a more sustainable future for the service.
3. This plan outlines our priorities for the period. At present, phase one of the plan [years 1 and 2] is included in detail, with commentary on feasibility work that will need to be undertaken in order to develop the second phase of the plan [years 3, 4 and 5]. The plan by no means describes every detail of the service, but highlights the key priorities, opportunities and actions.
4. The plan acknowledges that it will take time to work towards a more sustainable future for the service. Phase one [years 1 and 2] will focus on continued service development, however, it is unlikely that self-generated income will increase until phase two [years 3, 4 and 5].
5. The business plan is based on the following assumptions:
 - The service continues to be operated in-house
 - The museum maintains the free admission policy reinstated in November 2014.
 - The museum maintains full accreditation by Arts Council England
 - The service adjusts its Sunday opening hours
 - The Council considers further capital investment in order to give the museum the scope to self-generate a greater proportion of income in future ('invest to earn') subject to further feasibility work (see below)
6. We have identified 5 key objectives under which to categorise the key strategies for the service over the next 5 years. The overarching principles are to embed the service more firmly into the community and to 'invest to earn', subject to further feasibility work to be undertaken in Year 1 (see below). On the whole, the plan focuses on working towards long term sustainability, rather than cost reduction (see point 8 below).

Key Objectives	1. Create a leading visitor experience	2. Expand our reach and reputation	3. Collaborate with our community	4. Increase access to our collections	5. Diversify and increase funding streams
Key Strategies	<ul style="list-style-type: none"> • Transform our infrastructure • Enhance our content • Develop our staff • Adjust our opening hours 	<ul style="list-style-type: none"> • Refresh our brand • Develop our audiences • Enhance our marketing 	<ul style="list-style-type: none"> • Consult with our Community • Develop programming in partnership with local organisations • Continue to develop learning and outreach programmes • Develop formal partnerships with Universities/Colleges 	<ul style="list-style-type: none"> • Digitise the collection • Care for and develop the collection • Complete the documentation backlog 	<ul style="list-style-type: none"> • Invest in commercial growth • Develop the model for a new Friends group • Diversify grant funding and sponsorship • Grow venue hire

7. Our key objectives respond to visitor evaluation, priorities identified during a Visioning phase of work carried out in September 2018 and an 'MOT' (organisational assessment) undertaken with the South East Museum Development Programme in summer 2018. They also respond to advice from Arts Council England on priorities from the Mendoza review of museums in England, published in November 2017 by the Department for Digital, Culture, Media and Sport (DCMS):
 - Growing and diversifying audiences
 - Contributing to place making and local priorities
 - Dynamic collection curation and management
 - Delivering cultural education
 - Digital capacity and innovation
 - Adapting to today's funding environment
8. In Black Radley's 2016 options appraisal it is stated that *'The Novium is actively looking to generate more commercial income but is constrained by the design of the building. Capital investment to have a larger fully functioning café area and a larger retail space would assist in generating income. This would mean having less space for displaying collections and possibly covering the Roman baths on the ground floor.'* The report also states that *'there appears to be little scope for shrinkage. There are some options for investing in growth; café and retail space at the Novium, more joined up TIC activity and continuing development of the wedding business.'* The scope of the Black Radley options appraisal did not include developing the feasibility for these areas.
9. In 2016, Henry Adams was commissioned to undertake a piece of work to review alternative uses for the Novium Museum building, including leasing the second floor as office space or converting certain spaces into flats. The studies, however, did not include detailed feasibility associated with implementing and running a larger café offer.
10. We aim to undertake feasibility work in Year 1 to explore options associated with the potential growth areas cited in the Black Radley report. The feasibility study aims to establish the viability and impact on the business model of a number of capital options. The feasibility study will include consultation with subject specialists to develop costings, return on investment, the impact on operations and maintenance costs and safeguarding the collections in order to establish a preferred course of action. Options to be included within the feasibility study are:
 - Reconfiguring the Front of House area to optimise use of space and balance of functions, including introducing self-service kiosks for the Box Office, replacing the desk, fitting a more sophisticated laser counter and relocating the TIC leaflets;
 - Glazing the bathhouse to create a spectacular and flexible ground floor, increasing the footprint of usable space. If feasible, from a technical and commercial perspective, this would allow for the provision of an improved café on ground floor and would significantly increase the desirability of the venue for corporate hire and other events, greatly improving opportunities to increase self-generated income. It would also make the museum more desirable to other cultural Trusts in future;
 - Other options associated with the provision of an improved café within the building;

- Improving the second floor gallery infrastructure to create a flexible temporary exhibition space, including a method of managing ticketing for temporary exhibitions in order to charge an admission fee for appropriate 'blockbuster' exhibitions;
- Improving the first floor gallery infrastructure and re-displaying the permanent collection to provide a greatly improved visitor experience and increase the proportion of the permanent collection on display;
- Improving the first floor foyer gallery infrastructure to provide a flexible temporary exhibition gallery reducing the operational cost to deliver temporary exhibitions within the space;

11. This plan places central importance on the Public Programme. It seeks to balance local interest subjects with exhibitions that have a broader appeal in order to contribute to our vision of building a stronger community by reflecting the community within the Public Programme and providing exhibitions that large numbers of the community want to visit.

12. The Plan has been developed following consultation with staff, volunteers and external stakeholders, including Arts Council England and Chichester BID. A Visioning phase funded by the Sussex Museums Development Group was held in September to refresh the Vision, Mission and Values of the service and complete a skills audit. The development of the plan has been overseen by Chichester District Councils Task and Finish Group.

Our Vision, Mission and Values

Chichester District: a place where businesses can flourish; where communities are active happy places; where residents and visitors can find fulfilling cultural, leisure and sporting activities; and where a good quality of life is open to all.

Chichester District Council's Vision- Corporate Plan 2018-21

Our Vision: To build a stronger community by connecting people with the past, present and future of Chichester District

Our Mission: We collect and preserve the heritage of Chichester District. We use our collections and external loans to maximise educational benefit and social impact for our community, helping people feel part of their society and shaping the local distinctiveness of the District. We provide enriching, participatory and inspiring experiences for learning and enjoyment for our local community and visitors, contributing to a thriving local economy.

Our Values

- Community – We interact with and make a difference to our community through communication, collaboration and partnership working.
- Participation – We actively encourage dynamic interaction between our collections and our visitors in order to educate and inspire.
- Innovation – We are ambitious and strive to build new ideas into our work.
- Accessibility – We welcome everybody and seek to share our collections as openly as possible. We break down barriers to engagement with the museum.
- Legacy – We safeguard and develop our collections for the benefit of future generations.
- Fun – We bring enjoyment to people's lives by providing entertaining and enriching experiences.

Through our Vision, Mission and Values we seek to bring a renewed energy to the relationship between the Museum and TIC service and our community.

'Active public participation changes museums for the better. Museums change people's lives. They enrich the lives of individuals, contribute to strong and resilient communities, and help create a fair and just society. Museums in turn are immensely enriched by the skills and creativity of their public'

Museums Change Lives: The Museums Associations Vision for the Impact of Museums, 2013

Key Objectives

Our key objectives are summarised here. Further details can be found in our Action Plan.

Key Objective: 1. Create a leading visitor experience

- **Transform our Infrastructure:** During phase one of the plan [years 1 and 2] we aim to undertake feasibility work to establish the most beneficial options to transform the building into a series of spaces that provide the best possible visitor experience and maximise opportunities to self-generate income in the longer term (see Point 9 of the Executive Summary and our Action Plan for options to be included within the feasibility phase).
- **Enhance our Content:** The plan addresses a number of ways in which we seek to enhance our content, including the development of an ambitious public programme of exhibitions and events and the redisplay of our first floor gallery. Our public programme will balance exhibitions and displays on local subjects with popular exhibitions on broader subjects to provide an interactive, fulfilling experience to residents and visitors alike, with the community playing a much greater role in the development and delivery of the public programme. We will also continue to consult with schools and teachers on the way in which we respond to the syllabus to ensure that our Learning programme meets their needs in order to maximise educational benefit and income generation.
- **Develop our Staff:** We plan to develop our staff, including addressing a significant skills gap associated with fundraising capacity and expertise. In addition, we plan to grow our volunteer base, with a focus on the visitor experience and digitisation projects.
- **Adjust our Hours:** We plan to slightly adjust our opening hours. The Museum and TIC service currently provides a 7 day service during the summer (April – end October) and a 6 day service during the winter (November – end March). The number of functions being performed by our Front of House staff has increased significantly since staffing levels were established in 2012, particularly with the introduction of a small café and Box Office. In order to deliver the most effective Front of House service within budget, to respond to visitor demand and to ensure that we are able to consistently provide excellent customer service, we will close on Sundays except during July and August, the height of our peak season. This will be reviewed following the outcome of the current tourism work taking place by Visit Chichester and the expansion of the tourism offer into the Autumn and Winter seasons. An analysis of opening hours and forecast impact of this change is provided in Appendix 4. We anticipate that at least 95% of visitors affected by this change will visit on another day, and that ongoing audience development will mitigate an initial reduction of visitors within phase one of the plan.

Key Objective: 2. Expand our reach and reputation

- **Refresh our Brand:** Within phase one of the plan we aim to undertake a light-touch brand refresh. We believe that if we are to fully embrace and fulfil the potential benefits to our society and beyond, the public needs to better understand what we are and why we are relevant to them. The Novium is becoming an established brand name so we don't intend to move away from this, but we do feel that there is scope to strengthen our

brand and key messages. We also need to address a brand hierarchy across all of our service areas to ensure that our offer feels part of a whole, rather than a number of disjointed elements.

- **Develop our Audiences:** This is a key priority to enable the museum to thrive long into the future, and includes developing an Audience Development Plan and adopting a simple audience segmentation model to help us better understand and respond to the motivations of our visitors. We aim to grow our annual visitor numbers to 60,000 within the lifecycle of the plan.
- **Enhance our Marketing:** In order to develop our audiences, and utilising a simple market segmentation tool, we also need to enhance our marketing, including a revised marketing strategy.

Key Objective: 3. Collaborate with our community

- **Consult with our Community:** Our refreshed Vision, Mission and Values set out an aspiration to have an increasingly positive impact on our community. In order to achieve this, we will carry out a district-wide consultation project to reach and better understand the needs and motivations of our audiences.
- **Develop programming in partnership with local organisations:** Our Vision and Mission are outward-looking, community oriented and focus more clearly on the role we want to play in order to increase our communities' sense of ownership of their heritage. We want to welcome more people as active participants rather than passive recipients of their heritage. Our Action Plan sets out how we aim to achieve this, but fundamentally we see our community as content creators and aim to increase consultation, partnership working and outreach.
- **Develop Formal partnerships with organisations, including Universities and Colleges:** This will also help us to build community links and develop mutually beneficial projects.

Key Objective: 4. Increase access to our collections

- **Digitise the Collection:** As part of our commitment to making our collection as accessible as possible, we plan to undertake a volunteer-led digitisation project.
- **Care for and develop the Collection:** We have some ambitious plans relating to collections development over the full lifecycle of this plan, particularly to try and complete our documentation backlog and undertake a rationalisation project in order to make space for contemporary collecting. The Mendoza review of museums in England, published in November 2017 by DCMS, says that Museums should '*collect actively and appropriately in order to keep their collections fresh, to tell new stories about the past and to document our own age*'. Without contemporary collecting our collection won't reflect Chichester District from the 80's onwards for future generations.

Key Objective: 5. Diversify and increase funding streams

- **Invest in Commercial Growth:** The focus within this plan is to explore the feasibility and aim to deliver projects that will allow us to increase self-generated income in the longer term. Phase two of the plan will respond to feasibility work in relation to the viability of introducing an enhanced café offer within the museum. Within phase one of this plan we will also improve the focus and quality of the product ranges on offer in our shop, both by sourcing alternative product lines and by investing in product development within our revenue budget. This plan also includes the introduction of online retail sales and maximising opportunities to sell key product lines through the website and Box Office.
- **Develop the model for a new Friends group and Diversify grant funding and sponsorship:** Linked with developing our staff, we also need to address capacity and skills associated with fundraising, including sponsorship, grant funding, a Friends group with a remit to support fundraising, individual giving and legacies. This is vital if we are to become more resilient and sustainable in the longer term.
- **Grow venue hire:** In order to achieve our vision of building a stronger community, it is important that we allow community groups the opportunity to use the Museum and Guildhall. We plan to introduce community hire rates and a method for managing community bookings in order to accommodate community hire without impacting negatively on wedding and corporate hire income while generating additional income. We will also seek opportunities to lease the Guildhall for larger event use.

A detailed Action Plan is provided in Appendix 1, showing how we plan to achieve these objectives, identifying which actions are to be undertaken in phase one of the plan [years 1 and 2] and which are to be undertaken during phase two of the plan [years 3, 4 and 5]. A number of actions address more than one of the key strategies. Where there is overlap, the action is shown against the most fitting strategy

Strategic Context

The Novium Museum and Tourist Information Centre is operated as part of Chichester District Council's Growth and Place Directorate. The service has a District-wide remit and manages:

- The Novium Museum
- Tourist Information Centre
- Chichester Box Office
- The Guildhall in Priory Park
- The Collections Discovery Centre at Fishbourne Roman Palace

The collection has been in existence since 1831, when the first museum in Chichester was founded in the Royal West Sussex Hospital. The Museum has relocated a number of times over the years, the full history of which is available on our website. Following capital investment by Chichester District Council, the collection moved to a new, purpose built building on Tower Street and the archaeology collection moved to The Collections Discovery Centre at Fishbourne Roman Palace. The Novium Museum opened to the public in July 2012. Six years on, the museum has strengthened its reputation and developed its audiences.

The Museum and TIC offers a unique range of services in a city centre location and is in strong position to maximise the potential of its services over the coming years to benefit the Chichester District and its economy. Chichester's cultural offer is an integral part of the Chichester Vision. One of the four main cultural assets (along with the Theatre, Gallery and Cathedral), the Novium Museum has a vital role to play in protecting and sharing the District's cultural heritage. The Vision sets out an ambition to 'make better use of the City's impressive heritage and cultural base'. Building on the museum's current position will solidify the museum as a 'must see' visitor attraction within the city centre, contributing to place-making and a thriving, experience-led city.

'But above all, what we do today has the potential to bring a distinctive new edge to the City, enhancing the attractiveness of our City's assets, and generating an appealing new buzz about the City, ensuring that people of all ages feel the City is 'theirs'.

Cllr Tony Dignum, Chairman, Chichester Vision Steering Group

'Cultural consumers are increasingly driven by the need for authenticity, for an immersive experience, for connection. Good museums have a crucial role to play in the visitor and cultural economy of a place'

The Future of Civic Museums: A think Piece. Peter Latchford, March 2012

A review of the service was undertaken by Black Radley Consultants in 2016 and a feasibility study was carried out by Henry Adams in 2017 to consider the future options for the service. A procurement exercise was undertaken to test the market for the future operational management of the service, overseen by a Task and Finish Group. Discussions were held with a number of local organisations, however, none of these organisations were in a position to take on the management of the service. In July 2018 Cabinet agreed to retain the museum service in-house and to identify potential opportunities for generating additional income and/or reducing expenditure to contribute to the long term sustainability of the service moving forwards..

Economic Context and Impact

The South East attracts the highest tourism spend for any region outside London. In Chichester District, tourism and leisure generates significant direct expenditure and is the largest private sector employer.

According to The Visitor Economy of Chichester report prepared by Tourism South East in 2016, tourism produces the following in Chichester District:

- 5.65 million day trips each year generating a spend of £189 million
- 448,000 “overnight trips” each year generating a spend of £76 million
- 8,000 jobs in tourism and leisure, plus numerous support jobs

The Novium Museum is responsible for contributing to footfall within the City. The Tourism South East report shows the economic impact of The Novium Museum as £522,300 per annum.

Our Visitors

Visitor admissions have been strong since 2015/16. The opportunity of ‘Tim Peake: An Extraordinary Journey’ was instrumental in positioning the museum as an exciting leading visitor attraction with a changing programme of exhibitions, attracting new visitors and giving people reasons to return.

13,750 visitors came to the Museum in August 2018, with the programming of ‘Bricks Britannia: A History of Britain in Lego Bricks’ to coincide with the summer holidays. Previously, the highest monthly attendance had been 6,570 in August 2017. The exhibition has also contributed to achieving a 4 star rating on Trip Advisor and the museum is becoming increasingly popular with local residents. The Black Radley options appraisal states that ‘a figure of 65,000 to 70,000 is thought to be achievable’, however, this relies on bold public programming, increasingly positive word of mouth and, importantly, increased scope for marketing campaigns in future. We aim to grow our annual visitor admissions to 60,000 within the lifecycle of the plan.

Visitor Admissions and TIC Enquiries

Year	Total Visitor Admissions	TIC enquiries
2018/19	53,000 [Forecast]	18,000 [Forecast]
2017/18	49,731	15,365
2016/17	52,424	31,706
2015/16	45,433	33,083
2014/15	25,402**	30,228
2013/14	9,993*	31,912
2012/13 (9 months)	12,728*	22,342

*Admissions charge; ** Admission charge removed November 2014. Note, figures exclude the Guildhall, which has not been included in the performance indicators measured to date.

The table above shows a sharp decline in TIC enquiries from 2016/17 to 2017/18. We have no explanation for this sudden drop.

In order to serve our community most effectively and develop our audiences it is critical that we respond to visitor feedback, and seek feedback from non-visitors. The museum has responded well to ad-hoc visitor feedback since it opened, and more robust consultation processes have been implemented. A Visitor Evaluation Survey was carried out during the period of Game Plan

[17th March to 1st July]. 90 complete responses were received. When asked ‘What would encourage you to visit the Novium Museum more often?’ these were the responses:

What would encourage you to visit the Novium Museum more often? (Tick all that apply)	Percent	Count
More frequently changing exhibitions on Chichester District's local history	50.7%	38
Knowing more about what's on at the Museum	37.3%	28
More frequently changing exhibitions on broader, popular subjects	33.3%	23
More events for adults	28%	21
A larger café with greater choice	21.3%	16
More events for children	17.3%	13
None of the above	17.3%	13
A range of Chichester-based products/souvenirs in the shop	12%	9
Other	9.3%	7

This plan acknowledges that there is a strong relationship between the motivation for someone to visit the museum, and the offer they encounter during their visit that determines the length of their stay and secondary spend, so a number of these responses go hand in hand.

Our Staff

The entire service is operated by a staff of 9.2 FTE, excluding a part-time fixed-term Learning Assistant and ad hoc support from Casual Visitor Services Assistants and Casual Learning Assistants. In recent years a number of roles have been revised to increase the focus on income generation. This includes a Sales and Events Officer dedicated to venue hire and income generating events. The service does not have a dedicated Curator or Exhibitions Officer. These responsibilities are spread across the Collections Officer and Museum Assistant. A wide range of support services are provided by Chichester District Council, including Finance, Legal, HR and IT. Fundraising is supported by PR at CDC, but resource is extremely limited. At present, our core staff are working at full capacity so investment in resource will be required in order to grow self-generated income in future. Our action plan responds to this staffing context, outlining where additional resource would be required to achieve growth in self-generated income in order to reduce the service cost.

Financial Context

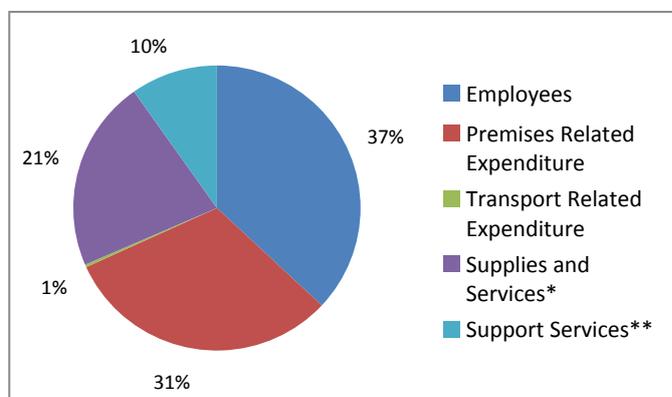
Over recent years, the Museum has focused on increasing secondary spend, establishing and growing the venue hire business and securing grant and sponsorship funding, however the rate of growth of a number of income generating activities has been slower than forecast, including Guildhall and Museum venue hire and TIC services, including the Box Office.

The service has incorporated efficiencies where possible, however, the vast majority of expenditure relates to staffing and building costs, the latter being high and determined by the nature of the building.

The budget allocated to collections care, the public programme, marketing, learning, events, retail and café sit within Supplies and Services and equates to £77,000, just 8.6% of the total budget.

2018/19 Full Service Budget - Expenditure

Description	2018/19 Budget
	£000
Employees	330
Premises Related Expenditure	279
Transport Related Expenditure	5
Supplies and Services*	193
Support Services**	86
Full Service Total Expenditure	896



* Depreciation and Impairment at £201k is excluded from the figures and chart above. £131,400 of NNDR is included within Premises Related Expenditure. ** £50k grant to Visit Chichester has been excluded.

Staffing and premises expenditure makes up 68% of the 18/19 total service budget. 22% of the total budget is allocated to Supplies and Services, however 33% [£64,400] of this is allocated to expenditure associated with the Box Office, a commission based product, and 11.5% [£22,300] is allocated to service and maintenance.

10% of the budget is assigned to recharges for support services provided by CDC.

Sponsorship and grant funding is not included in the budget as it is unpredictable and deemed to be project enabling rather than budget relieving.

Appendix 1 – Budget

2017-18 Actuals									
	Novium	Novium Trading Account	Guildhall	Total Novium	TIC	TIC Trading Account	Tourism Marketing	Total TIC	Grand Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure									
Employees	282	0	0	282	74	0	0	74	356
Premises Related Expenditure	258	0	3	261	0	0	0	0	261
Transport Related Expenditure	3	0	0	3	0	0	0	0	3
Supplies and Services	88	26	8	122	3	90	1	94	216
Support Services	67	5	0	72	6	1	0	7	79
Total Expenditure	698	31	11	740	83	91	1	175	915
Income									
Grants	-38	0	0	-38	0	0	0	0	-38
Other Income	-20	-63	-20	-103	0	-94	0	-94	-197
Total Income	-58	-63	-20	-141	0	-94	0	-94	-235
Net	640	-32	-9	599	83	-3	1	81	680
Included in the figures above									
Business Rates	128	0	3	131	0	0	0	0	131
Excluded from the figures above									
Capital charges	365	0	1	366	1	0	0	1	367

2018-19 Base Budget									
	Novium	Novium Trading Account	Guildhall	Total Novium	TIC	TIC Trading Account	Tourism Marketing	Total TIC	Grand Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Expenditure									
Employees	267	0	0	267	66	0	0	66	333
Premises Related Expenditure	270	0	9	279	0	0	0	0	279
Transport Related Expenditure	3	0	2	5	0	0	0	0	5
Supplies and Services	96	26	1	123	2	67	1	70	193
Support Services	62	8	1	71	15	0	0	15	86
Total Expenditure	698	34	13	745	83	67	1	151	896
Income									
Grants	0	0	0	0	0	0	0	0	0
Other Income	-21	-81	-37	-139	0	-87	0	-87	-226
Total Income	-21	-81	-37	-139	0	-87	0	-87	-226
Net	677	-47	-24	606	83	-20	1	64	670

Included in the figures above

Business Rates	131	0	3	134	0	0	0	0	134
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Excluded in the figures above

Capital charges	198	0	2	200	1	0	0	1	201
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Note that grants are not included in base budgets as they are unpredictable. Grants and advertising income secured in 2018/19 total £6,200 to date.

The Budget for 2019/20 will show a standstill budget, with no growth other than inflation.

Moving forwards, we will continue to work hard to increase self-generated income. This will include increasing secondary spend and donations by growing visitor numbers and developing the focus and quality of product lines in our shop. We will introduce online sales and will maximise opportunities to upsell through the website and Box Office. We will continue to achieve ambitious income targets for our Learning programme and will grow venue hire income through the continued development of our wedding business and by introducing community hire rates. We will seek opportunities to address our fundraising capacity and skills gap, including sponsorship, grant funding, a Friends group (with a remit to support fundraising), individual giving and legacies. In the longer term, we will explore the feasibility of investing in commercial growth through capital investment in order to maximise our opportunity to self-generate income for many years to come. This may include the provision of a larger café, subject to feasibility.

Appendix 2 - Service Action Plan

Phase 1 [Years 1 and 2]

Key Objective: 1. Create a leading visitor experience

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Transform our Infrastructure	Carry out feasibility study with external consultants to establish the viability and impact on the business model of the IPPD proposals below, including in depth consultation with subject specialists to ensure safeguarding of the collection and fully consider impact on operations and maintenance costs.	Feasibility established to make the case for capital investment to enhance the museum and increase the ability to self-generate income, reducing CDC subsidy in the longer term	SP, ST	Year 1	Capital reserves	Feasible option identified ROI
	Upgrade lighting throughout to address failing infrastructure (LEDs)	Greatly improved visitor experience and slightly reduced running costs	RR, ST		Asset Replacement budget	Visitor satisfaction, revenue budget
	Reconfigure Front of House area to optimise use of space and balance of functions, including replacing desk, fitting more sophisticated laser counter, relocating TIC leaflets and addressing cold temperatures in winter	Improved Visitor Experience and working conditions. Growth in secondary spend. Drawing all TIC visitors into the museum.	SP, ST – assisted by ES	Years 1-2 following feasibility work to ensure joined-up planning	Capital reserves	Income generation and Visitor Satisfaction
	Improve shop front window	More visually appealing and higher standard of presentation contributing to growth in secondary spend and increased visitor numbers	ES	Years 1-2	Capital reserves	Visitor numbers and Income generation
Enhance our Content	Develop and deliver an exciting and balanced programme of exhibitions and displays in 19/20, including: <ul style="list-style-type: none"> Seas the Day: Selsey Fishermen Association Hollywood Rome: Reel lives in 	Contributing to leading visitor attraction, increased visitor numbers, development of partnerships. Continuing to build our reputation	ST assisted by PT, ARob	Year 1	Revenue budget with grant funding	Visitor numbers, visitor satisfaction

	<ul style="list-style-type: none"> Ancient Rome [Touring] Osteology North Bersted [Timescale TBC] 					
	Develop and deliver an exciting and engaging programme of events to complement the public programme, including adult talks and adult events with a 'pull' to secure an audience, ie, Murder Mystery in autumn 2019.	Increased access to collections. Increased visitor numbers and income generation. Continuing to build our reputation	LW to collate All to deliver	Ongoing	Revenue budget	Visitor numbers, visitor satisfaction, income generation
	Develop an ambitious programme of exhibitions and displays for 20/21 onwards, working to a 2 year planning horizon	Increased visitor numbers contributing to increased secondary spend. Continuing to build our reputation	ST	Year 1	Revenue budget and grant funding	Visitor numbers, visitor satisfaction
	Embed local subject, collections based exhibitions into the public programme	Increased use of collection within exhibitions, increased access for public	PT, ARob	Ongoing	Revenue budget and grant funding	Visitor numbers, visitor satisfaction
	Acquire the Racton Man for the collection	Enhanced permanent collection	ARob	Year 1	Museum resources	Collection development
	Undertake review of current permanent gallery interactives and develop new, enjoyable interactives for permanent galleries and temporary exhibitions	Improved Visitor Experience, improved opportunities for participation, increased accessibility for family groups	ARog, PT	Year 1 and in line with IPPD for galleries	Revenue budget and Capital reserves pending outcome of option appraisal	Visitor numbers, visitor satisfaction
	Develop ways to use handling collection more within galleries and exhibitions	Increased access to collection, increased opportunities for participation	ARog, PT	Years 1-2	Revenue budget and)	Visitor satisfaction
	Develop and embed family friendly interpretation for galleries and temporary exhibitions	Increased accessibility of exhibition text for younger audience, providing an inclusive experience, increased visitor numbers	PT	Years 1-2	Built into exhibition development	Visitor satisfaction, visitor numbers
	Increase family events programme and develop family events in response to public programme	Increased accessibility for family groups, increased visitor numbers, income generation	ARog, PT, CT	Years 1-2	Additional staffing required to	Visitor satisfaction, visitor numbers,

					grow programmes Grant funding where possible, Additional income to cover staffing requirements	income generation
	Undertake consultation with teachers to inform developments to the learning offer. Research the most successful learning programmes across the sector and evaluate learning offer as a whole	Ensure the learning offer continues to be fit for purpose and increase self-generated income	Arog, PT	Years 1-2	Support from Consultation Service	Income generation, visitor numbers
	Develop a visitor map for the Museum	Improved accessibility	PT/LW	Year 1 in line with Brand Refresh	Existing revenue budget	Visitor satisfaction
	Enhance the 'pre-visit' information provided online	Improved accessibility	LW	Year 1	Staff time	Visitor satisfaction
	Host periodic SEN sessions, including Hollywood Rome and Roman Week in 19/20	Enhanced accessibility and inclusivity. Contributes to growing reputation as an inclusive visitor attraction	LW	Ongoing	Staff time	Visitor satisfaction
Develop our staff	Invest in developing fundraising skills and capacity to address significant skills gap: <ul style="list-style-type: none"> Recruiting part-time, fixed term fundraiser Train Museum Manager to support fundraising 	Significantly increased ability to secure sponsorship and other sources of external income, including individual giving and legacies	ST	Years 1-2	Grant funding required in the first instance to test the model	Income generation
	Review the current Front of House structure in relation to revised opening hours (see below)	Potential savings on staff costs, more consistent service to visitors and communication between staff. Permanent staff feel less fatigued in the summer owing to improved working pattern	ES	Year 1	Staff time	Revenue budget
	Develop Front of House training and hold quarterly meetings including a training	Improved visitor experience and increased secondary spend	ES	Year 1	Staff time and revenue	Visitor satisfaction and

	element				budget	income generation
	Develop volunteering policy. Research other volunteer training programmes, carry out consultation with existing volunteer guides and develop more comprehensive training programme for volunteers.	Improved engagement from volunteers, increased attractiveness of volunteer opportunities and greater consistency of approach	ARog	Years 1-2	Staff time	Volunteer numbers
	Recruit and grow number of volunteers in response to operational requirements	Improved visitor experience, greater presence in galleries to assist visitors	ARog	Ongoing	Staff time	Volunteer numbers
	Research collections internship schemes	Increased workforce to work on backlog, carry out research into collection and support delivery of public programme	ARob, PT, ARog	Years 1-2	To charge for opportunities, if possible	Staffing levels
Adjust our Opening Hours	Close on Sundays except during July and August to deliver the most effective service within budget, taking into account the wide range of services now being delivered by Front of House staff.	Front of House services are delivered within budget and excellent customer service is delivered consistently during opening hours.	ST, ES	Year 1	Staff time	Revenue budget

Key Objective: 2. Expand our reach and reputation

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Light touch brand refresh	Undertake a brand re-refresh to incorporate 'Chichester District' within the museum name and refine the application of the brand through improved and consistent design across the brand hierarchy	Clearer communication to our audiences, a strong design toolkit articulating the brand coherently across all service areas and platforms, improved reputation and increased visitors. We aim to grow our visitor numbers to 60,000 within the lifecycle of the plan.	ST with LW	Year 1	Grant funding or revenue budget for light touch exercise	Visitor numbers, visitor satisfaction
Develop our audiences	Develop an Audience Development plan, including adopting a simple audience segmentation model	Clearer understanding of our audiences addressing how we intend to reach them and meet their needs/motivations	ST	Year 1	Grant funding	Visitor numbers, visitor satisfaction
	Develop Roman Week into a larger	Audience development,	Arog,	Ongoing	Grant funding	Visitor

	annual proposition, working on a sustainable model for growth	increasing reach of the museum within the district, contributing to community engagement priorities, income generation			supported by minimal revenue budget. Possible sponsorship	satisfaction, visitor numbers, income generation
	Research and develop Early Years programme	Increased learning offer, audience development, increased self-generated income	Arog, PT	Years 1-2	Investigate an increase to marketing budget	Visitor numbers, income generation
	Develop writing competition (increase uptake, not spread)	Increase reach of learning offer leading to potential income generation, audience development	ARog, PT	Ongoing	Income to pay for additional marketing required	Visitor numbers, income generation
	Introduce more regular evening events	Contributes to the evening economy of the City, attracting audiences who find core times difficult or would like a child-free visit to the museum.	CT	Years 1-2	Increase in income to cover resources required	Visitor numbers, income generation
	Devise and deliver CPD events for teachers.	Increased awareness of learning programme and conversion to bookings	ARog, PT	Years 1-2		
	Lobby for TIPs at key points in the City with volunteer 'greeters' (2012 Games makers model)	Improved provision of information for visitors to the city	SP, ST	Years 1-2	Visit Chichester/ BID/ Vision	Visitor satisfaction, visitor numbers
Enhance our marketing	Lobby for improved city centre signage and signage at exterior of building	Improved visibility for the museum, visitors better able to navigate through the city, increased 'chance' visits to boost visitor numbers	SP, ST, LW	Years 1-2	Vision project budget	Visitor numbers, visitor satisfaction
	Update marketing strategy	More targeted strategy and improved reach across the District and beyond. Able to promote more of the service with greater consistency	LW	Year 1	Increase to marketing budget offset by income generation	Visitor numbers
	Research and develop most effective method of leaflet distribution	Increased reach across the District, keeping residents up to	LW	Year 1	Staff time and revenue	Visitor numbers

		date and engaged			budget	
	Improve marketing assets, including photography	Improved quality of marketing collateral and increased capacity for design work (to supplement CDC support using suite of templates). Improved turn-around times for production and improved reputation	LW	Year 1	Increase to marketing budget to allow for Photoshop	Visitor numbers
	Grow database for newsletters, including museum newsletter, teachers newsletter and Box Office newsletter	Increased ability to communicate our programmes to a growing number of people, providing targeted communications to encourage repeat visits and upsell events and product	LW, ARog	Ongoing	Staff time	Visitor numbers
	Develop new learning marketing brochure following ongoing development of programme. Tie in with brand-refresh to ensure consistency of design	More focused offer using results of consultation to secure learning bookings	ARog, PT	Year 1	Revenue budget to cover external design	Visitor numbers, Income generation
	Develop an annual review for the museum on a yearly basis, including a review to cover 2017-2019. Tie in with brand-refresh to ensure consistency of design	Documents achievements and success and serves as a strong advocacy tool for the museum, can be used as a supporting documents for grants/award applications and would prove worth to potential sponsors	LW	Year 1 and annually	Revenue budget to cover external design	Awards, Income generation
	Social media surveys	Feedback gathered to enable better forward planning/targeting/exhibition and events programme	LW	Ongoing	Revenue budget for paid boosts where helpful	Visitor numbers, visitor satisfaction
	Work with community wardens to promote the museum across the district	Greater reach across the District	LW	Year 1	Staff time	Visitor numbers,
	Develop more wedding partnerships and relationships with other venues and suppliers by attending networking events and interacting more on social media.	Better relationships would result in more recommendations and contacts for other events. Partnerships with other venues would see an increase in bookings if we were able to offer something as a package deal.	CT	Ongoing	Staff Time	

Key Objective: 3. Collaborate with our community

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Consult with our community	District wide consultation to reach non-visitors	To engage wider audiences, especially non-visitors to find out what they want from the service and build relationships	ST, LW	Year 1	Support from Consultation	Visitor numbers, visitor satisfaction
	Establish a Youth panel to help inform decision making	The community are invited to have agency over the public programme, the community feels valued and have a greater sense of ownership. Provides better understanding of public expectations	LW	Year 1	Support from Consultation	Visitor satisfaction
	Set up a customer focus group to discuss and test ideas for new product lines for the shop	Retail range meets demand increasing income generation	ES	Year 1	Staff time	Visitor satisfaction, Income generation
	Consult with visitors via an increased number of consultation methods and let visitors know what has changes as a result of their input	Better understanding of expectations. Allows us to tailor events etc... to better suit audience. Potential to increase sales on future events. Potential to improve visitor experience	LW	Ongoing	Support from Consultation	Visitor numbers, visitor satisfaction
Develop Programming in partnership with local organisations	Develop programming with Midhurst Museum	A strong collaboration allowing greater access to collections for residents living in the north of the District	ARob, PT	Year 1	Staff time	Visitor numbers, visitor satisfaction
	Identify district wide community groups to work with on community based exhibitions programme	Community links, increase of access to district	PT, ARob	Year 1	Staff time	
	Create a portal for the submission of ideas for exhibitions, events and projects	The community are invited to have agency over the public programme, the community feels valued and have a greater sense of ownership. Provides better understanding of public expectations	LW, PT	Year 1	Staff time	Visitor numbers, visitor satisfaction
	Create the opportunity for community	The community are invited to	ST, PT, ARob,	Year 1	Staff time	Visitor

	groups to deliver exhibitions within the museum	have agency over the public programme and provide content that complements and enhances the museum offer at little cost to the service	LW			numbers, visitor satisfaction
	Contribute expertise and loans to Graylingwell Chapel visitor centre	Increased access to collections and reach within the district	PT	Years 1-2	Graylingwell grant funding	Visitor satisfaction
	Develop partnership projects with cultural organisations in Chichester. Develop content and contribute to community events, ie CFT Fun Palaces, Get Active Festival	Increased access to collections and reach within the district, audience development	PT, ARog	Years 1-2	Staff time and revenue budget	Visitor numbers
Develop Learning and Outreach programmes	Develop and promote outreach offer	Increase accessibility to schools (location and cost)	ARog, PT	Year 1	Increase income to offset additional marketing costs	Visitor numbers, visitor satisfaction
	Deliver Takeover Day project with local school	Community links	PT, ARog	Year 1	Staff time	Visitor numbers, visitor satisfaction
	Research and develop an adult learning programme (care homes, dementia, talks, tours)	Increased community engagement, impact on the community and growth in reach, income generation	ARog, PT	Years 1-2	Link with CDC wellbeing team. Additional staffing would be required to grow outreach programmes – offset by additional income	Visitor numbers, visitor satisfaction
	Run events to coincide with larger city events eg. events during Fresher's Week to entice new Chichester residents to visit.	Audience development and community engagement	CT/PT	Years 1-2	Staff time	Visitor numbers, visitor satisfaction
Develop formal partnerships	Develop/formalise partnerships with Universities/Colleges for placements	Building community links and developing mutually beneficial	ST, ARog	Years 1-2	Staff time	Visitor satisfaction

with Universities/ Colleges	linked to courses and bespoke heritage modules	projects, support for staff.				
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Key Objective: 4. Increase access to our collections

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Digitise the Collection	Publicise research opportunities online	Increased use of the collection for research	PT, ARob	Year 1	Staff time	Collections development
	Undertake photography collection digitisation project and make available online through MODES. Recruit volunteers to work on digitisation project	Increased access to collection	ARob, ARog, PT	Years 1-2	Digitisation volunteers	Collections development
	Undertake social history collection digitisation project and make available online through MODES. Recruit volunteers to work on digitisation project	Increased access to collection	ARob, ARog, PT	Years 1-2	Revenue budget	Collections development
Care for and develop the Collection	Collections Care and Conservation Plan	Action plan for collections care – well cared for collections, easier to access and use	AR	Year 1	Staff time	Collections development
	Re-assess the collection for designation following acquisition of Racton Man	More attractive to funders, improved reputation	PT, ARob	Years 1-2	Staff time	Collections development
	Improve storage conditions	Ongoing care of, and access to, collection	ARob, PT	Ongoing	Collections equipment	Collections development
	Continue to write articles for Chichester Post on a weekly basis	Increased access to collections, marketing and reach across the City, greater knowledge of history of Chichester	ARog, ARob, PT	Ongoing	Volunteers	Collections development
	Continue to offer Object in Focus project to student placements	Increased access to collections and reach, providing a meaningful experience to placements	ARog, ARob, PT	Ongoing	Staff time and placement students	Collections development
Complete the documentation backlog	Develop a more focussed volunteer project to work on documentation backlog	Increased workforce to work on backlog, improved research into collection, easier to use assets for exhibitions and other outputs	ARob, ARog, PT	Year 1	Staff time	Collections development

Key Objective: 5. Diversify and increase funding streams

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Invest in commercial growth (In addition to capital investment opportunities in Objective 1)	Develop Chichester product lines for shop	Strong product ranges increasing secondary spend and contributing to growing reputation and brand	ST assisted by ES	Year 1	Revenue budget	Income generation
	Develop collections based merchandise for shop	Strong product ranges increasing secondary spend and contributing to growing reputation and brand, increased use of collections	ARob/ES	Year 1	Revenue budget	Income generation
	Develop local ranges for shop	Supporting small local businesses and income generation	ES	Year 1	Revenue budget	Income generation
	Introduce donations box at Guildhall	Increase income generation	LW	Year 1	Revenue budget	Income generation
	Develop loan box subscription	Securing greater number of loan box bookings to grown income n	ARog, PT	Year 1	Staff resources	Income generation
	Develop an online shop for key product items/ranges	Increased income generation and promotion of retail offer	ES	Years 1-2	Staff time	Income generation
	Develop a model for charging for blockbuster exhibitions, addressing infrastructure and tax implications	Income generation	ST with ARob	Years 1-2	Linked to feasibility work	Income generation
	Develop sponsorship proposals and relationships for funding	Build stronger relationships with local businesses to secure additional funding for high quality public programme.	LW, ST	Ongoing	Links to investment in fundraising skills/capacity gap	Income generation
	Continue to grow Box Office contracts, brand and reputation	Increase income generation	ES	Ongoing	Staff time. Additional capacity required offset by income generated	Income generation
Develop the model for a new Friends or Supporters group	Develop the model for a new Friends or Supporters group	A group of strong 'voices' providing advocacy and fundraising support	LW	Years 1-2	Links to investment in fundraising skills/capacity gap	Income generation
Diversify grant	Apply for grant funding in partnership with	Increased income generation to	ST, PT	Ongoing	Links to	Income

funding and sponsorship (In addition to staffing opportunities in Objective 1)	other organisations, and seek other organisations to apply for grant funding in partnership with us where we are not eligible	facilitate the delivery of high quality public programming			investment in fundraising skills/capacity gap	generation
	Approach potential sponsors earlier in order to increase likelihood of securing sponsors	Increased income generation by spending time developing proposals with potential funders and allowing funding decisions to be taken in line with to budget round submissions		Ongoing	Links to investment in fundraising skills/capacity gap	Income generation
	Identify connections between exhibitions content/objects and potential sponsors	Alternative funding sources and opportunities to promote individual giving and legacies	AR	Ongoing	Staff time.	Income generation
	Develop promotional partnerships	Mutually beneficial promotional campaigns to develop audiences build strong relationships with local businesses	ST	Ongoing	Links to investment in fundraising skills/capacity gap	Visitor numbers
Grow venue hire	Develop a community hire rate for the Museum and Guildhall, to include method of allocating dates/availability without impacting on potential larger income from weddings	More inclusive to community groups wishing to hire helping us fulfil our vision. Guildhall more accessible to general public. Museum better utilised.	LW, CT	Year 1	Staffing to supervise additional venue hire	Income generation, visitor satisfaction
	Continue to grow wedding business through additional marketing and strong word of mouth. Develop improved wedding brochure. Increase City Wedding links to improve the number of weddings taking place within the City. Train pool of casual staff to support the delivery of weddings.	Increased income generation. Reputation of The Guildhall as a wedding venue continues to grow. Working collaboratively with other City wedding venues to increase wedding footfall within the city centre when the majority of couples are currently looking to 'barn' venues.	LW, CT	Ongoing	Additional marketing budget and staff costs to deliver growth offset by additional income	Income generation
	Continue to grow meeting room hire through increased marketing. Undertake benchmarking review.	Ability to establish ourselves as a 'go to' for meeting room hire, increased income.	CT	Ongoing	Additional marketing budget to deliver growth offset by additional income	Income generation

	Continue to grow income generating events at the Guildhall, such as This is My Theatre, using box office share model to minimise risk. Explore options to lease the Guildhall to event companies.	Income generation and increased access to the Guildhall	CT	Ongoing	Staff time. Additional revenue budget required to deliver growth off set by additional income	Income generation
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Phase 2 [Years 3 to 5]

Note: This phase also includes all ongoing activities includes in Phase 1

Key Objective: 1. Create a leading visitor experience

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
	Glaze the bathhouse to create a spectacular and flexible ground floor	Improved viewing conditions of bathhouse. Increased footprint of 'useful' space allowing for provision of improved café on ground floor and significantly increasing desirability of venue for corporate hire and other events leading to an increase in self-generated income	SP, ST – Assisted by ARob	Years 3-5	Subject to feasibility	Income generation, visitor numbers and visitor satisfaction
	Improve second floor gallery infrastructure to create a flexible temporary exhibition space, including suite of modular, demountable showcases and method of managing ticketing for temporary exhibitions	Space fit for required purpose. Greatly improved ability to deliver temporary exhibitions on minimal revenue budget. Ability to charge for 'blockbuster' exhibitions.	ST – assisted by PT, ARob	Years 3-5	Subject to feasibility study	Revenue budget, visitor numbers, visitor satisfaction and income
	Improve first floor gallery infrastructure and re-display permanent collection	Greatly improved visitor experience and ability to change content regularly and flexibly. Greater proportion of permanent	ST – assisted by PT, ARob	Years 3-5	Subject to feasibility study	Visitor numbers, visitor satisfaction

		collection on display				
	Improve first floor foyer gallery infrastructure to provide a flexible temporary exhibition gallery	Greatly improved visitor experience and ability to change content regularly and flexibly at minimal cost	ST – assisted by PT, ARob	Years 3-5	Subject to feasibility study	Revenue budget, visitor numbers, visitor satisfaction and income
Enhance our Content	Develop interpretation for bath house	Increased understanding of bath house context, improved Visitor Experience	ARog, PT	Years 3-5 if glazing is feasible	Subject to feasibility study	Visitor satisfaction
	Develop a 'virtual tour' of the museum to host online	Gives visitors a greater sense of the museum and allows visitors with sensory needs to prepare for their visit, enhancing accessibility and inclusivity	LW	Years 3-5 in line with IPPD projects	Grant funding for photography and production would be required	Visitor satisfaction

Key Objective: 3. Collaborate with our community

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Develop Learning and Outreach programmes	Research KS4 – use of primary sources	Increased access to collection, audience development, income generation	ARog, PT	Years 3-5	Staff time	School feedback and income

Key Objective: 4. Increase access to our collections

Key Strategy	Actions	Anticipated Outcome	Responsibility	Timescale	Resources	Performance Indicator
Digitise the Collection	Lease Modes online platform for digitisation/collections online	Ability to put collection online, increased access to collection	PT, ARob	Years 3-5	Revenue budget to cover minimal funding for lease	Collections development
Care for and develop the Collection	Develop project for rationalisation of collection	More focused collection, freeing up storage space to allow for contemporary collecting	ARob, PT	Years 3-5	Grant funding to cover additional	Collections development

					staffing for duration of project	
	Research into collections roadshows in district – potential for contemporary collecting IF rationalisation can occur	Increased awareness of district , increased access to district, proactive contemporary collecting	PT, ARob	Years 3-5	External funding to develop format	Collections development
Complete the documentation backlog	Collections intern to work on SH backlog	Increased workforce to work on backlog, improved research into collection, easier to use assets for exhibitions and other outputs	ARob, PT, ARog	Years 3-5	Grant funding to cover staffing costs	Collections development

Appendix 3

Our Service Areas – A Summary of Performance

The museum has made significant progress in all service areas over the last few years, summarised below.

Collections management and Research

The museum continues to uphold the highest standards in collections care. The museum facilitates access to our vast collections for researchers and undertakes archiving and deposition work for archaeological finds in the district.

In 17/18:

- 30 Depositions resulted in 43 new boxes of material resulting in income of £3,097
- 13 Acquisitions resulted in 116 new objects entering the collection (4 of which Treasure)
- The documentation backlog continued to be addressed. 16,771 new records for 2D materials have been added to the Social History database since February 2015. Within the same timeframe the number of 3D objects without permanent reference numbers decreased from 16.4% to 15.5% of the total collection.
- 11 researchers have visited to study the collection
- Collection objects have been on loan to 7 organisations
- Public enquiries have only been recorded since July 2018. From July 2018 – end September 2018, 35 enquiries have been handled.

Learning and Community Engagement

The museum has developed an extremely well respected learning programme. The museum provides an extensive programme of workshops, loans boxes, tours and sleepovers to schools in Hampshire, Surrey and East and West Sussex, which complement the national curriculum and offer a 'hands-on' approach to learning. The Learning team regularly consults with schools to ensure that the service meets their requirements.

In 17/18:

- 1894 pupils from 35 schools visited the museum for educational workshops
- A further 146 students attended 5 outreach sessions delivered within schools
- 687 participants attended 25 sleepovers
- 56 Loan boxes were lent to 36 schools
- 11 students undertook work placements from 7 schools/colleges/universities
- Approx. 2025 hours were given by 15 volunteers
- 150 entries were received for the annual writing competition
- 1 community outreach session was delivered to 12 participants
- The Learning programme generated £19,725 in income

Chichester Roman Week is also delivered by the Learning and Community Engagement team every May Bank Holiday to celebrate the Roman heritage of the area. The festival reaches a

wide audience across the City centre and beyond, and allows us to reach new audiences by bringing history to life outside the walls of the museum building.

Venue Hire and Events

The Novium is a striking and unique building. The Woolstaplers meeting room is a popular venue for meetings and talks and this element of venue hire is being firmly established as a modest source of income. The building has huge potential for corporate hire if capital investment can be made to create a venue that can accommodate the full scope of requirements for corporate entertainment.

The Novium was awarded a wedding license for the Guildhall in April 2015 and 40 weddings have been delivered since the first wedding took place in May 2016. 11 wedding bookings have already been taken for 2019/20 and 4 for 2020/21. We have also been developing the hire of the Guildhall for other uses.

	No. of General Hire	General hire	No. of Weddings	Wedding Income	Total Guildhall hire income per financial year
April 2015 - March 2016	2	£600	0	£9,200	£9,800
April 2016 - March 2017	2	£2,800	17	£23,300	£26,100
April 2017 - March 2018	1	£350	14	£19,600	£19,950
April 2018 - March 2019	4	£5,313	13	£16,400	£21,713
		£13,930.10		£68,500	

Note, when Priory Park is being used for a large event, such as a festival, it isn't necessarily possible to hire the Guildhall for a wedding.

Exhibitions and Galleries

Having established the importance of a changing and varied Public Programme, the Museum has presented a number of high quality, free admission exhibitions, including:

- Tim Peake: An Extraordinary Journey [15 December 2016 – 17 February 2018]
- Cutlasses and Contraband: A Smugglers Tale [November 2017]
- Game Plan: Board Games Rediscovered [17 March – 1 July 2018]
- Bricks Britannia: A History of Britain in LEGO Bricks [28 July – 31 October 2018]
- Priory Park 100 [10 September 2018]
- Chichester Camera Club: A Celebration of People and Places [Opening 24 November 2018 – 10 March 2019]

Thanks to a Ready to Borrow grant, we were able to upgrade our security in order to comply with UK Government Indemnity standards. This means that the Museum is able to borrow from National Museums, and enabled us to host Game Plan from the V&A Museum of Childhood.

Tourist Information Centre

Grouping the Museum and TIC together provides mutually supportive services that share in Chichester District Council's objective of attracting visitors to the district, increasing opportunities for economic development and ensuring that the council will make the best use of the District's natural and cultural assets.

Chichester TIC provides a range of services to support tourism in the area, however, TIC enquiries are declining owing to changes in tourism behaviour and the increasing reliance on online content. The demand for a number of TIC services is also declining, including B&B bookings, as people turn increasingly to Air BnB and other online accommodation providers.

Visit Chichester is now based in The Novium Museum building, enabling a close working relationship to develop our tourism offer and ensure that we respond to changes in the needs of visitors to the City.

Shop and Café

We have been working hard to try and increase conversion and secondary spend levels by providing a retail offer that meets customer need. The range of products sold during Bricks Britannia, for example, focused on books that weren't available elsewhere in the city and proved to be extremely popular. However, significant gaps in our retail range still need to be addressed and the current café provisions significantly limits the scope of income generation in this area.

Year	Visitor Admissions	Retail and Café sales	Spend per head
2018/19	53,000 [Forecast]	£36,000 [Forecast]	£0.68
2017/18	49,731	£38,928	£0.78
2016/17	52,424	£38,220	£0.72
2015/16	45,433	£20,422	£0.44
2014/15	25,402	£15,708	£0.61

The Black Radley report suggests an aspirational target of £1.50 spend per visitor, however benchmarking within the sector suggests that £1.00 would be a realistic stretch target.

Box Office

The Museum and TIC service has been operating Chichester Box Office since 2016. The Box Office is a commission based service, generating 10% of ticket sales as income. The Festival of Chichester is currently the largest contract for the Box Office. A number of other events sell their tickets through the Box Office throughout the year.

Costs associated with providing the Box Office are relatively high (£6,500 on software and licences). At current levels, the Box Office does not generate significant profit and is time intensive to manage, however, there is a requirement for the service from the community and it brings people into the museum. There is likely to be scope to grow the Box Office as Visit Chichester develops the Destination Management Plan for the District, but this would require additional staff resource to manage. The Box Office software also incorporates functionality relating to donations and e-marketing which we are now utilising more fully.

Donations

Our donations income has increased in recent years and we have introduced a stronger message to encourage donations. 'Free admission' is now always accompanied by the message that donations are very welcome and Front of House staff reinforce this message. We are using the Box Office functionality to encourage online donations. In July 2018, we introduced a trial contactless donations point at the entrance to the second floor gallery and will build on this trial to grow contactless donations to supplement cash donations and provide a necessary response to changes in consumer behaviour.

Year	Total Visitor Admissions	Donation Income	Donation per visitor
2020/21	53,000 [Forecast]	12,800	24.2p
2019/20	50,000 [Forecast]	12,100 [Forecast]	24.2p
2018/19	53,000 [Forecast]	12,000 [Forecast]	22.6p
2017/18	49,731	11,566	23.2p
2016/17	52,424	11,196	21.3p
2015/16	45,433	5,785	12.7p

We are performing well in this area as benchmarking across the sector tends to show donations within the 5p – 15p however numerous factors influence the level of donations including size of organisation and whether or not an admissions fee is charged.

Grants

Since achieving Accreditation in 2014, the Museum has been successful in securing a number of grants, including:

- £5,000 HLF My Heritage Grant to fund delivery of exhibition on Selsey Fishermen in 2019 (via Selsey Town Council)
- £4,000 Level Up Grant, Sussex Museums Group (2018)
- £1,100 Roman Research Trust Grant to support a Roman Week re-enactment (2018)
- £8,300 HLF Sharing Heritage Grant to deliver a learning programme for Smugglers (2018)
- £30,000 Ready to Borrow Grant to upgrade security (2017)
- £2,000 Development Grant to fund metalwork conservation training (2017)
- £12,500 Principia grant to deliver a learning programme for Tim Peake (2016)
- £10,000 Arts Council England for Romans in Residence project (2016)
- Culture 24

- £57,700 HLF grant to fund delivery of Murray or None exhibition (via partnership project with Murray or None) 2015

Awards

Since opening, the Museum and TIC has also won numerous prestigious awards, including:

- Beautiful South Awards: Tourism Event of the Year for Chichester Roman Week – Bronze (2018)
- Chichester Observer Community Awards: Shortlisted for Community Event of the Year for Chichester Roman Week's Re-enactment (2018)
- Beautiful South Awards Finalist (2017)
- Beautiful South Awards: Small Visitor Attraction of the Year - Bronze (2016)
- Museums and Heritage Award for Best Temporary Exhibition (2017)
- CIVIC Trust award which recognises excellence in the built environment (2013)
- RIBA award (2013)

Fundraising

The PR team at Chichester District Council has also secured advertising and sponsorship income and benefits for the museum from promotional partnerships, including:

- Chichester Festival Theatre Advertising on book bag leaflets (2018 and 2017)
- Promotional partnership with Chichester Festival Theatre (2018)
- £29,000 Tim Peake sponsorship from Irwin Mitchell, Air Products and South Downs National Park (2016)

As outlined elsewhere in the plan, additional skills and capacity are required to grow this core area of income generation.

Appendix 4 – Analysis of opening hours

A detailed analysis of visitor attendance in 2017/18 shows that on average Sunday is our least visited day, even during the peak summer months. TIC enquiries largely follow this trend. Secondary spend also follows this pattern, with less than 9% of retail and café income taken on Sundays.

Visitor Figures				
	Monthly Average April – Dec 2107			Percentage
	Total	Occurrences	Average	
Saturday	9,256	12	1028	18.6%
Sunday	3,375	7	482	6.7%
Monday	6,774	12	753	13.6%
Tuesday	7,200	12	800	14.5%
Wednesday	7,815	12	868	15.8%
Thursday	8,001	12	889	16.1%
Friday	7,310	12	812	14.7%
TOTAL	49,731			100%

At present the Museum and TIC is open for 339 days a year, with 26 Sunday closures between November and April. Closing on Sundays except during July and August will result in 8 Sunday openings a year, with 18 additional Sunday closures compared to the current opening pattern. The Museum and TIC would be open for 321 days a year, a reduction of 5%.

As visitors are already accustomed to Sunday closures, and as Sundays are our least visited day, we anticipate that the impact on visitor numbers and secondary spend will be minimal. We have been asking our visitors how they would be affected if the Museum and TIC were closed on Mondays. 65.8% of respondents to the Game Plan Visitor Evaluation Survey said that they would visit on a different day instead or never visit on a Monday anyway. 30.3% said they were unsure how it would affect them and just 3.9% said they would struggle or would not be able to visit on a different day. We anticipate the impact to be even lower with additional Sunday closures.

A worst case impact of a 5% decrease to our visitors, set against the context of audience development and incrementally increasing visitor targets, would be forecast as follows:

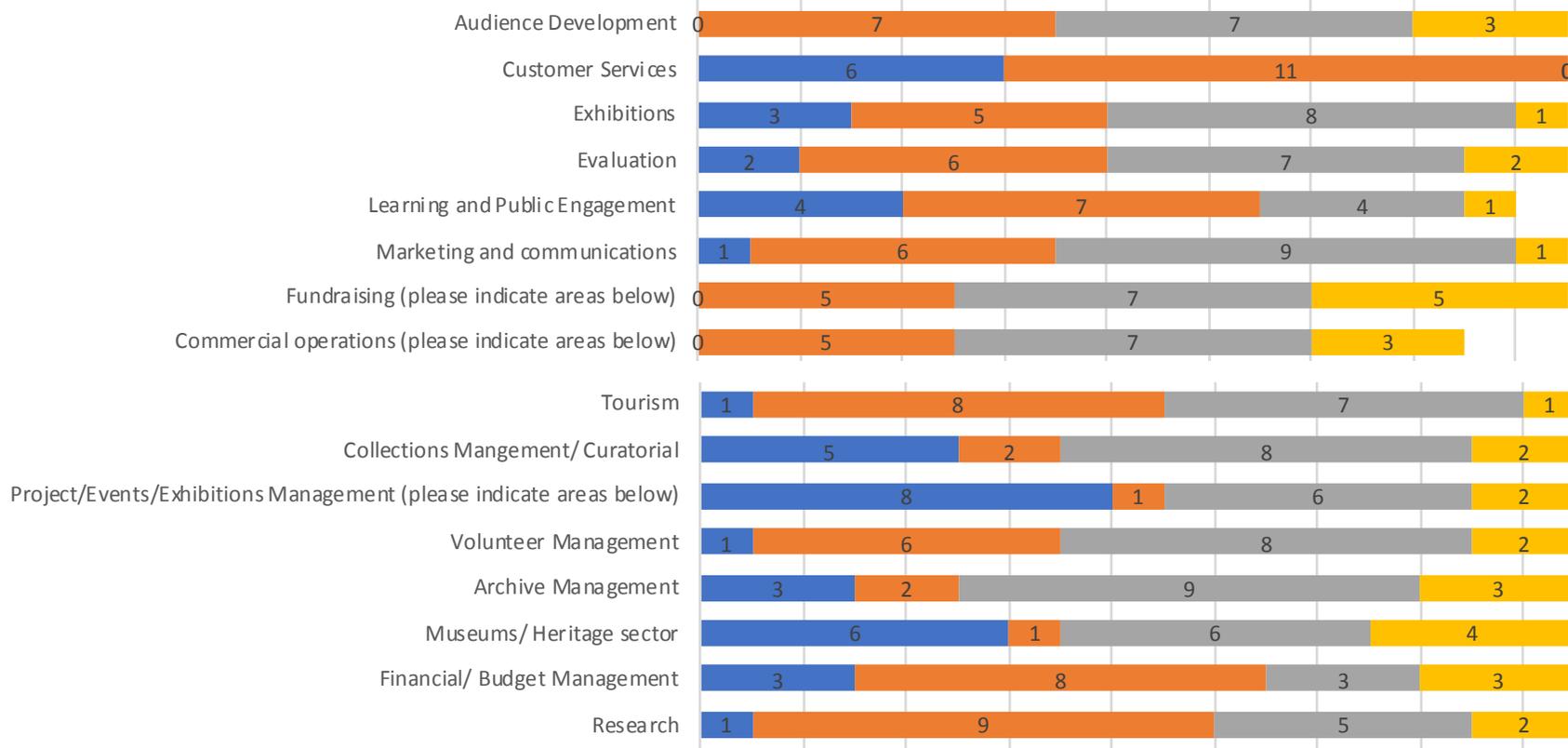
Year	Total Visitor Admissions Target	Impact of 5% reduction in visitors	Variance
2020/21	60,000	57,000 [Forecast]	-3,000
2019/20	55,000	52,250 [Forecast]	-2,750
2018/19	53,000 [Forecast]	N/A	N/A
2017/18	49,731	N/A	N/A
2016/17	52,424	N/A	N/A

Our 2019/20 target for secondary spend [Retail and Café] is £37,200. A worst case reduction of 5% spend would have the following impact:

Year	Secondary Spend Target [Retail and Café]	Impact of 5% reduction in spend	Variance
2019/20	£37,200	£35,340	£1,860

Additional Sunday closures will save in the region of £4,500 on staffing allowing us to deliver the Front of House function within budget when combined with a new rota pattern. Small savings will also be made on utility bills.

Appendix 5 - Skills Audit



A skills audit was completed as part of our externally funded Visioning day. The table above reflects the extent to which survey respondents feel they have specific skills and experience. 1 (blue) = expert, 2 (orange) = some knowledge, 3 (grey)= little or none 4 (yellow)= none/ would like to know more.

Appendix 6

Novium Museum and TIC Service SWOT analysis

Strengths

- Free admission
- Accredited Museum status (eligibility for grant funding)
- GIS (Government Indemnity Scheme) compliant
- City centre location
- Strong local history collections with excellent archaeology holdings, some nationally important
- Purpose built building with environmental controls, collections storage and care (inc. Fishbourne)
- CDC subsidy and support
- Permanent skilled, dedicated staff and dedicated team of volunteers
- Guildhall venue with growing wedding business
- TIC service (joined up offer)
- Strong Learning offer with room to take large groups
- Growing reputation
- Developing Public Programme (2 year planning horizon)
- Good events programme
- Building relationship with Visit Chichester (lease)
- Building links with Arts Council and other sector peers
- Embedding visitor evaluation
- Good track record for grant applications
- Has won multiple awards
- Developing popular Roman Week programme
- Good links with other local organisations

Weaknesses

- Name does not tell people what we are – public aren't aware of who we are, what we do, our collections
- Lack of revenue budget for Public Programme and marketing
- Insufficient collection objects on display; not digitised
- At capacity for Social History collections storage
- Gallery spaces not fit for temporary exhibition use
- Low sponsorship income; lack of fundraising expertise and resource; Friends group is inactive
- Poor 'shop window' from street
- FoH space not fit for range of functions taking place
- Unpopular exhibition layout on first floor
- Failing lighting infrastructure; Leaking building
- Catering offer too small/narrow
- Retail range lacks certain price points/items/low profit
- Collections documentation backlog; No acquisitions budget
- Weak brand
- Lack of signage / lack of presence across wider District
- Limited volunteer presence in gallery / at weekends
- Staff working at capacity (limited time to innovate)
- Lack of full-time Curator on staff
- Prominence of day visitors to the city (visitor economy)
- Reliance on CDC support staff (can cause delays)
- Loss of 'research room' for collections researchers
- Building is expensive to run and maintain

Opportunities

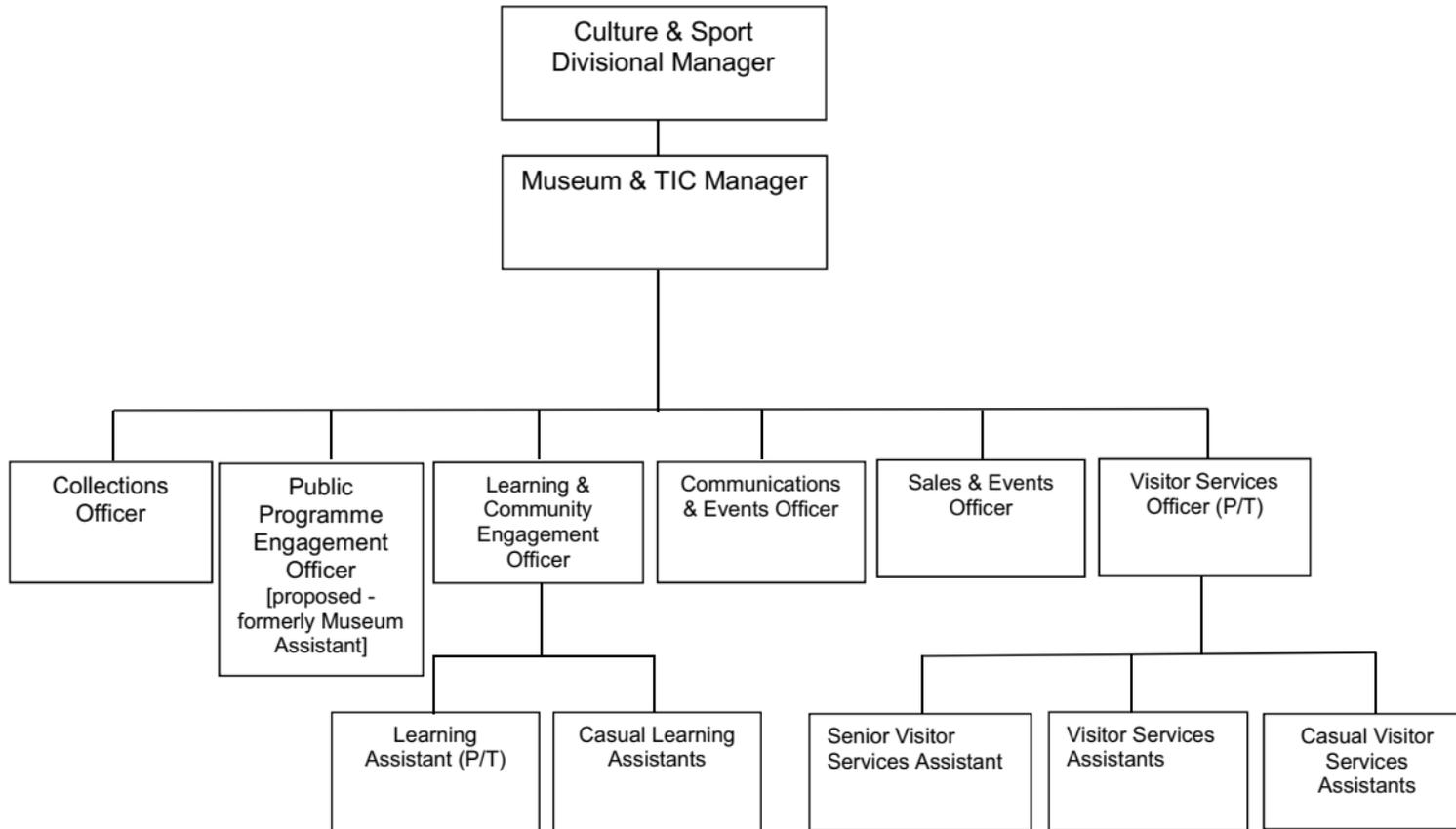
- Improved signage across City (Look and Feel project)
- Improvements to top floor gallery infrastructure to create a flexible, temporary exhibition space
- Improvements to first floor gallery infrastructure and re-display to improve narrative and display more objects
- Digitise collections to increase accessibility, searchability and interaction with collections
- Shop developments – fit out, product lines (including developing souvenirs), online sales
- Cafe expansion (glazing remains to generate larger floor area or developing cafe with views of cathedral)
- Adjusting opening hours; reviewing FoH staffing structure to provide greater consistency
- Developing events programme, particularly adult events
- Increased marketing
- Developing Venue Hire (linked to expanding catering offer)
- Diversifying grant funding sources
- Volunteers – targeting requirements for FoH/Weekends
- Friends Group (Advocacy and Fundraising)
- Partnerships e.g. formalising relationship with Chichester College & University; Informal Cultural Partnership
- Developing fundraising capacity and expertise to increase sponsorship for exhibitions, promotional partnerships, individual giving, legacies
- Generating exhibitions that meet customer demand; charging for 'blockbuster' exhibitions
- Refreshing the brand and brand hierarchy
- Lighting upgrades to address failing infrastructure and reduce running costs (LEDs)
- Replacing boilers may generate more space (hopper room)

Threats

- Change in leadership of Council
- Reduced council resources, including subsidy
- Saturated sponsorship market
- Negative Publicity (and legacy of early bad press)
- Increased maintenance costs due to increased visitor numbers and issues with the building
- Local competition
- Failure to innovate and generate income
- Changing nature of high street may impact visitor patterns
- Threat to schools programme owing to funding cuts
- Threats to collection owing to lack of conservation budget and skills
- Loss of learning room would limit scope of learning programme, room hire and associated income
- Growing demands on service outweigh staffing resources
- Focus on income generation has potential to negatively impact collections care, ie, insufficient budget
- Not allowing sufficient time to gain external professional advice in making decisions could have negative impact, ie, not properly researching impact of glazing over archaeological remains
- Impact of Brexit on the economy

Appendix 7 – Staffing Structure

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Chichester District Council

Section 106 and CIL Protocol

This protocol does not apply to the South Downs National Park. From 1 April 2011 the South Downs National Park Authority (SDNPA) became the planning authority for the designated area which falls within Chichester District. The role of the **SDNPA** as a planning authority and how it interacts with the council is described in the SDNPA Section 106 Protocol. This document applies to **both** historic S106 agreements that have been previously agreed and are currently being monitored and new S106 agreements that **have** come into effect **since** the Council **implemented** the Community Infrastructure Levy (CIL) **on 1 February 2016**.

The SDNPA introduced its own CIL **on 1 April 2017**. The Chichester CIL and spending plan is for the area covered by the Chichester Local Plan, which does not cover the part of the district that is within the South Downs National Park.

Aim

The aim of this protocol is to ensure a consistent and co-ordinated approach to the negotiation of Section 106 (S106) agreements and implementation of both S106 and CIL (which is non-negotiable) to ensure the effective use of financial contributions and to demonstrate transparency and accountability by robust monitoring.

This protocol is based on the following principles (please note that the first bullet point below does not apply to the CIL as it is a non-negotiable tariff):

- Negotiating S106 agreements that meet requirements for infrastructure
- Ensuring all parties are fully informed and consulted throughout the implementation and monitoring process
- There are clear procedures for allocating sums and receiving formal approval
- There are clear procedures and responsibilities for discharging agreements
- There is regular monitoring and reporting on progress
- There is clear and publicly accessible information on outcomes
- The council's members are kept updated with progress and developments in their wards.

Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) regulations allow local planning authorities to raise funds from developers to help provide infrastructure to support the cumulative growth of the area such as new school places, medical centres, local road, pedestrian and cycle improvements; as well as libraries, parks and leisure centres based on a set 'charging schedule'. The funds raised will be used by Chichester District Council, in conjunction with service and key infrastructure commissioners to deliver infrastructure improvements across the Local Plan area.

Regulation 123 of the Community Infrastructure Regulations 2010 (as amended) restricts the use of planning obligations for infrastructure that will be funded by CIL. Infrastructure types or projects listed in the **Regulation 123 list** will not be secured through planning obligations.

Negotiating S106 agreements

1. Under section 106 of the Town and Country Planning Act 1990, any person interested in land in the area of a local planning authority may, by agreement or unilaterally, enter into an obligation (commonly known as a S106 planning obligation):
 - (a) restricting the development or use of land in any specified way
 - (b) requiring specified operations or activities to be carried out on the land
 - (c) requiring the land to be used in any specific way
 - (d) requiring a sum or sums to be paid to the local planning authority for an agreed purpose.
2. Planning permissions can therefore be subject to planning conditions and planning obligations enabling proposals to **be permitted** which might otherwise be refused. The Chichester Community Infrastructure Levy (CIL) Charging Schedule **took effect on 1 February 2016**. This **has replaced many** S106 Obligations. However, agreements entered into prior to this date, as well as any subsequent agreements will continue to be monitored in accordance with this Protocol. Paragraphs 33-35 below **provide** more information on CIL.
3. Since planning obligations may involve developers making financial and/or non-financial contributions to the council, it is essential that such arrangements are operated in a way which is seen to be fair, open and reasonable in order to retain public confidence in the fundamental principle that planning permission cannot be bought or sold.
4. Government policy, as set out in the National Planning Policy Framework (NPPF), requires planning obligations to meet five tests. They must be:
 - necessary
 - relevant to planning
 - directly related to the proposed development
 - fairly and reasonably related in scale and kind to the proposed development
 - reasonable in all other respects
5. A vital test of planning obligations is therefore that they must be necessary to make a proposal acceptable in land-use planning terms. They should not be sought where a connection does not exist between the development and the obligation or is too remote.
6. If a planning obligation is considered essential to render a proposed development acceptable in planning terms and an applicant is unwilling to enter into that obligation then the planning application is likely to be recommended for refusal.
7. Planning obligations should not duplicate planning conditions. If a planning authority has a choice between overcoming a potential reason for refusing

planning permission by entering into a planning obligation with an applicant or imposing conditions, then conditions are preferred.

8. Planning obligations may relate to any matter, provided they satisfy the government's five tests, as described above. In some cases the developer signing the obligation agrees directly to provide certain facilities or to refrain from certain activities.
9. The Community Infrastructure Levy (CIL) Regulation 123 list; and the Planning Obligations and Affordable Housing SPD provides guidance about what will continue to be sought from S106 obligations.
10. It is important that the negotiation of planning obligations does not unnecessarily delay the planning process, thereby holding up development. It is therefore essential that all parties proceed as quickly as possible towards the resolution of obligations in parallel to planning applications (including through pre-application discussions where appropriate) and in a spirit of early warning and co-operation, with deadlines and working practices agreed in advance as far as possible.
11. The Council will advise applicants as early as possible if a planning obligation is required in connection with their development proposal as well as the reasons for this. In addition, applicants for planning permission will be informed as soon as possible if it is likely that there is a potential reason for refusal, which could be overcome through a planning obligation.
12. Where it is clearly an expectation in a development plan policy, identified in pre-application discussion, by reference to this protocol, or through a proposed Planning Performance Agreement, applicants for relevant proposals will be expected to provide heads of terms of the S106 agreement as part of the planning application. For example in respect of most major open market housing developments developers will be aware that there will be an expectation that a percentage of the housing should be affordable and that this will be provided, controlled and managed through a S106 planning obligation.
13. In all cases, the scale of a necessary obligation or financial payment will be directly related to the level of mitigation required to reduce the impact of the development to an acceptable degree. The agreement will normally entail payment of a contribution subject to appropriate trigger points.
14. The need for and calculation of financial contributions will be applied consistently in accordance with the Council's adopted Planning Obligations and Affordable Housing Supplementary Planning Document (SPD). Where any variance is sought by an applicant, this would normally only be justifiable in cases where there are substantial exceptional costs involved in the development, such as remediation of heavily contaminated sites. In such cases the developer will be asked to provide independently verifiable financial evidence that the required financial contributions will make the scheme unviable if he is looking to challenge the proposed level of contribution particularly where that level is set out in policy.
15. Where an application has been approved subject to a planning obligation being signed, the planning permission will be issued once all parties have signed the agreement.

16. The **Director of Planning and Environment** has powers to make reasonable formal amendments or variations to completed S106 obligations where circumstances have changed in the intervening period and/or where required by a subsequent decision of the Council in respect of a new planning application for the site.
17. The South Downs National Park Authority (SDNPA) is the planning authority for the designated area which falls within Chichester District. The role of the National Park as a Planning Authority and how it interacts with the council is described in the SDNPA S106 Protocol.

Implementation and monitoring

18. Once planning obligations and CIL spending priorities (as set out in the Infrastructure Business Plan (IBP)) have been agreed it is important that they are implemented, monitored and, where necessary, enforced in an efficient and transparent way. This is to ensure that financial contributions are spent on their intended purpose or that non-financial obligations have been met, and that the associated development contributes to the sustainability of the area. This requires joint working across different parts of the council, and with key infrastructure commissioners as financial contributions may need to be spent by separate departments, infrastructure commissioners, or may need to be implemented or enforced by particular officers or teams.
19. Two dedicated posts are responsible for the monitoring and implementation of Section 106 obligations and CIL. The Planning Obligations Monitoring & Implementation Officer (POM&IO) monitors S106 agreements to ensure that the enforcement and monitoring of planning obligations is carried out efficiently and effectively for the benefit of communities affected by the development. The role of the Planning Officer (CIL and Infrastructure) is to check that the correct amount of CIL has been collected; to ensure that the correct monies are passed to the City, Town and Parish Councils and to monitor that the CIL is allocated to the infrastructure projects, and delivered in accordance with the IBP CIL Spending Plan.
20. The POM&IO maintains a central database for all S106 agreements across the council. This database is linked to the planning department's Idox system in order to retrieve and access supporting planning documents. **The Council uses the Exacom IT system to assist with the monitoring of both CIL and S106 obligations.**
21. Beneficiary departments, and key infrastructure commissioners are expected to submit regular updates on the current situation with regard to spend against each S106 agreement/CIL spending project. These updates **are** used to inform the regular reports to the council's Corporate Governance & Audit Committee and to Members. Updates on non-financial obligations **are also** included in these reports.
22. Any S106 monies, and CIL receipts that have been received and have not been spent are invested in interest bearing accounts with the rest of the Council's investment portfolio in accordance with the Treasury Management Strategy until funds are required. The interest will be added to the balance each year as currently the case for S106. The **interest** will be ring fenced for **use with the associated S106 contribution** and for infrastructure in general with respect to CIL. **Should any interest accrued remain**

after the S106 contribution has been expended, it will be retained in a separate Infrastructure Reserve and used each year to supplement the new Homes Bonus Parish grants scheme. The interest earned on CIL receipts will be held in a separate CIL reserve to fund infrastructure projects.

23. Requests to spend the funds held in the Infrastructure Reserves will be in accordance with the requirements of the Council's Financial Standing Orders.

24. Following the finalisation of a planning obligation there are a range of different activities that need to be undertaken by the S106 Planning Obligations Monitoring & Implementation Officer to different timescales, sometimes extending over a number of years. These tasks include:

- ensuring receipt of financial contributions by developers at appropriate trigger points
- ensuring receipt of non-financial contributions by developers at appropriate trigger points
- initiating action for non-receipt of payments by developers or non-financial contributions by developers
- processing receipts of payments and notifying services that are progressing the agreed projects and spend
- ensuring that all further trigger dates are followed up and action monitored
- preparing exception and annual reports and Ward Member reports detailing the progress of S106 spend at required intervals

25. A corporate S106 Monitoring and Liaison Group **meets on a regular basis and discusses** current developments and progress to agree the content of the regular reports to Corporate Governance and Audit Committee and Ward Members. This group is made up of officers from the services responsible for ensuring the implementation of the terms of the agreement, delivering the projects and ensuring the monies are spent appropriately.

26. Following a CIL liable planning application, the Planning Officer (CIL & Infrastructure) will undertake a number of actions including:

- **measuring** the floor plans to ensure that the correct amount of CIL liability has been calculated;
- **ensuring that any exceptions or reliefs have been correctly calculated**
- checking that the CIL receipts have been collected in accordance with the CIL Payment by Instalments Policy
- initiating action for non-receipt or incorrect CIL payments
- processing receipts of CIL payments
- **taking CIL enforcement action**

27. Each year the IBP and CIL spending plan **is** rolled forward, and the draft five year programme reported to the **Growth Board**, then considered by the Development Plan and Infrastructure Panel (DPIP), before being reported to the Cabinet and Council for approval.

How long does the council have to spend the financial contributions?

28. For S106, the Council will include a standard term of 10 years within its planning obligations agreements for the expenditure of financial contributions. After the

expiry of this period the developer may request the payback of unspent monies if these have not been committed within the 10 year time period. Where the target date for expenditure is not written into an agreement the Council will use a notional 5 year target for monitoring purposes, based on the ability of Developers to seek to vary an agreement after 5 years.

For CIL, there is no timescale for the spending of CIL receipts, and the money does not have to be paid back to developers. The CIL should be spent on items of infrastructure identified in the IBP CIL spending plan once sufficient CIL monies have been collected.

CIL administrative costs

29. Up to 5% of CIL receipts will be used within Planning Services to fund the costs associated with monitoring, managing and collection of CIL required by the CIL regulations.

Duty to pass CIL funds to City, Town and Parish Councils

30. The District Council as CIL Charging Authority is required to pass 15% of CIL funds collected from developments within each parish, directly to the relevant City, Town or Parish Councils (capped at £100 per existing Council tax dwelling in any one year). This rises to 25% (uncapped) in areas which have an adopted Neighbourhood Plan. The funds collected in each parish will be passed to the City, Town and Parish Council twice a year, on 28 April, and 28 October.
31. The City, Town and Parish Councils are required to spend their CIL within five years of its receipt, or the District Council can request that the funds be returned, and these can be spent on any infrastructure projects within the Local Plan area.
32. The CIL Regulations state that this proportion of funds must be used *'to support the development of the local area by funding:*
 - (a) *the provision, improvement, replacement, operation or maintenance of infrastructure; or*
 - (b) *anything else that is concerned with addressing the demands that development places on an area.'*
33. This is a wider definition of how the funds may be used compared to how the District Council can use CIL funds (being restricted to funding infrastructure to support the development of the area).
34. The District Council may consider contributing funds to projects with the City, Town or Parish Councils where there are shared priorities.
35. In areas where there is not a parish council (Apuldram), the District Council will spend any CIL monies collected in this area in liaison with the Ward Member and Parish Meeting.

Summary of Process and Timetable for CIL Strategic Fund allocation

36. The annual process is commenced with an update of the Infrastructure Business Plan (IBP) and a review of the projections of the amount of CIL likely to be available for infrastructure projects.

37. Whilst the key infrastructure is identified in the Infrastructure Delivery Plan (IDP), the various Service and Infrastructure Delivery Commissioners are invited in April each year to put forward bids and programmes for the use of available CIL funds, the City, Town and Parish Councils are invited to comment on these, and to also share their CIL spending plans to ensure that projects are not duplicated, and to present a complete picture.
38. The Infrastructure Joint Officers Group meets in late April to prioritise the infrastructure projects. A draft IBP is circulated to the joint officers group to consider in May/June.
39. The draft IBP is considered by **the Strategic Leadership Team, the Growth Board**, and DPIP and Cabinet and Council in September, for approval that the IBP be subject to 6 weeks consultation in October/November with neighbouring Local Authorities, key infrastructure commissioners, and the City, Town and Parish Councils.
40. The draft IBP is, if necessary then modified, and a revised IBP reported to the **Growth Board** for consideration in December, before being considered by DPIP in January, and for approval by Cabinet in February, and Council in March each year.

Governance arrangements

41. The relevant Service **Director**, in consultation with the relevant service Cabinet Member will agree spend of S106 and CIL monies under £50,000. In the case of locally specific monies such as community facilities the nominated Ward Member will also be consulted.
42. The Cabinet, will agree spend of S106 and CIL monies of £50,000 and £100,000, following consultation with the ward member in the case of locally specific monies such as community facilities. Amounts over £100,000 will need to be approved at full Council.
43. All project lead bodies are required to submit quarterly progress reports to the CIL Officer, in start of January, April, July and October. This enables compliance with the Regulations by monitoring of expenditure and delivery of anticipated outcomes in delivering the infrastructure spending priorities as set out in the Infrastructure Business Plan (IBP) CIL Spending Plan. This information will underpin the Authority's Monitoring Report that informs others about expenditure as required.
44. CIL funds can be used as part of the costs of project procurement including professional fees, usually 10-15% of the value of any project. Funds for these works should be specified as part of project submissions.
45. In commissioning works the infrastructure providers shall be expected to apply their own financial regulations to ensure value for money and provide such evidence as may be required by the Head of Planning Services.
46. Before release of identified CIL funds to external public bodies (infrastructure commissioners) the District Council would normally require a Legal Development Agreement/Service Level Agreement once sufficient CIL money has been

collected to cover the total costs of the projects to be funded in any financial year. To ensure that the money is spent on the agreed project and to the indicated timetable agreed with the District Council as **Collecting** Authority. CIL funds will be released in arrears either on completion of projects or in staged payments as agreed by the **Director** of Planning and Environment.

47. The Council's Corporate Governance & Audit Committee will monitor the effectiveness of this protocol and that any risks are being managed in ensuring that monies are spent in accordance with the legal agreement (in the case of S106), and Legal Development Agreement/Service Level Agreement (in the case of CIL) and within the required timescales.
48. The S106 Annual Report (incorporating reference to CIL projects as appropriate) will be prepared in June each year detailing new agreements, income and spend for the previous financial year. The report gives a full update of S106 income received and monies spent over the last year, including an update against non-financial obligations. This will also include an exception report showing those S106 monies due to expire within two years and those past their spending deadline. In addition the reports include an update on the spends and money remaining relating to WSCC and SDNP agreements.
49. The committee will also receive an exception report detailing all S106 contributions due to be spent within a two-year deadline in November/December each year.
50. Ward members will be provided with information electronically detailing new S106 agreements, income and receipts, actual and anticipated spend dates, use of monies and non-financial obligations. Reports will be provided to all members on a six monthly basis (in March and September each year) and detailed by ward, with the non-locality specific amounts e.g. affordable housing provided on a district wide basis.
51. Details of receipts and spending of S106 and CIL monies will be reported in the Council's annual Authority's Monitoring Report (AMR), which is published in December each year.

Contacts

Principal Planning Officer (Infrastructure) – Karen Dower (01243 521049)

Planning Obligations Monitoring & Implementation Officer –Simon Davies (01243 534781)

Planning Officer (CIL and Infrastructure) Shona Turner (01243-534796)

Appendix 1 – Service Procedure Guide

Background documents

- 1 - User Guide to Planning Obligations
- 2 - S106 Procedural Protocol
- 3 - South Downs National Park S106 Protocol
- 4 – Planning Obligations and Affordable Housing Supplementary Planning Document
- 5 – CIL Charging Schedule
- 6 – CIL Regulation 123 list
- 7 – Infrastructure Business Plan

S106 Service Procedure Guide

At the pre-application discussion stage or on receipt of an application for a new residential or commercial development, the following Service Coordinators should be consulted to establish the requirements for each of the District and County services.

Responsibilities

District Council Services

S106 obligations	Responsible Officer	Responsible Director
Affordable/Social Housing	Linda Grange	Louise Rudziak
Community Buildings/ Facilities	Dave Hyland	Louise Rudziak
Leisure Facilities	Sarah Peyman	Jane Hotchkiss
Play Facilities	Sarah Peyman	Jane Hotchkiss
Public open space	Sarah Peyman	Jane Hotchkiss
Public Art	Dave Hyland	Andrew Frost
Park and Ride	Tania Murphy	Jane Hotchkiss
CCTV	Tania Murphy	Jane Hotchkiss
Measures to safeguard the environment	Alison Stevens	Andrew Frost
Coastal path and access for coast protection and sea defence works	Alison Stevens	Andrew Frost

The **Director for Planning and Environment** will be the responsible Director for all S106 agreements. However when S106 monies are received then the Directors of those services or beneficiary departments will become responsible for ensuring spend occurs within the appropriate timescales. Any matter which is not satisfactorily resolved by the Responsible Officer will be escalated to the Responsible Director for action where necessary.

County Council Services

Highways and transport	Elaine Munns - Team Manager: Strategic Planning Division, Residents and Environmental Services
Education, Library Services, Fire & Rescue and Civic Amenity Services	Elaine Munns - Team Manager: Strategic Planning Division, Residents and Environmental Services

Service Procedure Guide

Procedure	Responsibilities
New S106 Agreement completed	Legal to send agreement to planning case officer to issue the planning permission. S106 officer will send it to beneficiary departments, notifying of relevant provisions, allocations and spending requirements. S106 Officer to notify District Councillors, Parish Councils and South Downs National Park (SDNP) if appropriate. S106 Officer to enter details from agreement onto S106 database with trigger dates.
Monitoring trigger dates to secure receipts	S106 Officer to follow diary trigger dates and monitor progress on reaching trigger points when payment due. Enter and update information on S106 database. Once trigger achieved, write to developer with invoice for contribution due, having confirmed figures with Finance.
Chase contribution if overdue	If payment not received, S106 Officer to remind developer of obligation. If payment still not received, pass matter to Planning Enforcement to initiate enforcement action for non-compliance/ breach.
Receipt of monies	S106 Officer to monitor receipt of payments through the BACS system or to pay cheque in and update the S106 database with receipt. S106 Officer to notify beneficiary departments and District Councillors. S106 Officer to ensure contribution made to SDNP in relation to national park application.
Responsibility for expenditure	Beneficiary departments to identify appropriate projects on consultation with parishes/community groups if not previously agreed; to follow agreed scheme of delegation for agreement of spend; to notify relevant Parish Council and/or community group once contribution received; to notify SDNP of intended works; and to notify S106 Officer of progress and ultimate completion of the works.
Control of service infrastructure reserves	Service accountants to advise service provider of balance on each 'earmarked' reserve.

Service Procedure Guide for CIL

<p>Stage 1</p>	<p>When submitting a planning application for new residential or retail development the CIL Additional Information Requirement Form should also be included. This will enable the council to determine whether the proposal is liable to pay CIL and calculate the CIL liability. When planning permission is granted the decision notice will indicate if the development is liable to pay CIL.</p> <p>Submit Form 1 - Assumption of Liability Notice if the person or organisation that will pay the CIL liability is known at the point the planning application is to be submitted.</p>
<p>Stage 2</p>	<p>A Liability Notice will be issued by the council as soon as is practicable after planning permission is granted</p>
<p>Stage 3</p>	<p>Before the commencement of the CIL liable development, the following forms need to be submitted to the council:</p> <ul style="list-style-type: none"> • The person or organisation who intends to pay the CIL liability will need to submit Form 1 – Assumption of Liability Notice (if not already done when the original application was submitted as advised in Stage 1) • If the development is eligible for relief or exemption from CIL, the applicant will need to complete Form 2 – Claiming Exemption or Relief and potentially form 7/8/9 • Following submission of Form 1, the applicant is then required to submit Form 6 – Commencement Notice. Form 6 will notify the council when the chargeable development is to be commenced to allow the collection of the CIL payment. Form 6 must be submitted before the chargeable development commences and in addition to any notice regarding Building Regulations.
<p>Stage 4</p>	<p>Following receipt of a valid Form 6 Commencement Notice, the council will then issue a Demand Notice to the person who has assumed liability to pay CIL. The Demand Notice will set out the precise details of the amount of CIL payable and payment options (including where CIL can be paid in instalments in accordance with the council's Instalment Policy).</p>
	<p>It is also the responsibility of the applicant to notify the council if there is a change in the party liable to pay CIL which can be done through submitting Form</p>

	3 – Withdrawal of Assumption of Liability or Form 4 – Transfer of Liability as applicable
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