

Public Document Pack

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A meeting of the **Cabinet** will be held in Committee Room 2 - East Pallant House on **Tuesday 4 February 2020 at 9.30 am**

MEMBERS: Mrs E Lintill (Chairman), Mrs S Taylor (Vice-Chairman), Mr M Bell, Mr R Briscoe, Mrs N Graves, Mrs P Plant and Mr P Wilding

SUPPLEMENT TO AGENDA

5 **Draft Treasury Management, Investment and Capital Strategy 2020-21** (Pages 1 - 55)

Appendices 1-5

6 **Budget Spending Plans 2020-21** (Pages 57 - 117)

Appendices 1-4

7 **Consideration of consultation responses and modifications to the District Council's Infrastructure Business Plan 2020-2025** (Pages 119 - 143)

Appendix 1 and extract of appendix 2

8 **Authority's Monitoring Report 2018-2019** (Pages 145 - 235)

Appendix

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Appendix 1 – Summary of the main amendments between 2019-20 and 2020-21

Minor text and table updates are not reported.

| Item | Page | Comment |
|--|------|---|
| Treasury Management and Investment Strategy 2020-21 | | |
| - Treasury Investments | 5 | Figures in table 2 (page 6) now include forecast CIL balances. |
| - Proportionality | 7 | New indicator and section prepared and included in 20-21 strategy |
| Treasury Investments and Borrowing | | |
| - UK exit from the EU | 8 | Updated title from BREXIT to 'UK exit from the European Union' and refreshed text |
| - Counterparty limits | 9 | Increased limit on non LAPF pooled funds from £25m to £30m to accommodate any medium term (1-3 year) investing that might be proposed Added counterparty limit for Real Estate Investment Trusts (REITs) and provided further explanation of REIT in section below |
| - Treasury Investment Limits | 14 | Table 5 limits increased or added in line with the Counterparty limit changes, above. |
| - Operational Boundary for External Debt | 16 | Increased Operational Boundary by £1m to £3m for other long-term liabilities. These are most likely to be finance lease liabilities as the adoption of IFRS16 in 20-21 might require finance leases to be recognised on a 'right to use' principle, or re-measurement of lease liabilities. |
| Non-Treasury Investments | 17 | |
| - Non-Specified Investments | 19 | Added comment to clarify the limits in table 8 does not apply to Treasury Investments. |
| Risk exposure indicators | 20 | |
| Principal Sums Invested for Periods Longer than 364 days | 21 | Added explanation of what 'periods longer than 364 days' means in practice |

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Appendix 2 - Treasury Management Strategy

Treasury Management Policy Statement, Treasury Management Strategy Statement and Annual Investment Strategy for 2020-21

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 2020-21

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 18 December 2019, the Council held £89.1m of investments as set out in table 1 below

Table 1: Investment Portfolio Position – 18 December 2019.

| Investments | £m | Annualised Return %* |
|--|-------------|----------------------|
| Short term Investments (cash, call accounts, deposits) | 41.0 | 0.86 |
| Money Market Funds | 18.8 | 0.76 |
| Total Liquid Investments | 59.8 | 0.82 |
| Pooled funds – Local Authority Property Fund (LAPF) | 10.0 | 4.40 |
| Pooled Funds – Other | 19.3 | 3.72 |
| Total Treasury Financial Investments | 89.1 | 1.86 |
| Commercial Property Investments | 15.0 | 6.4** |
| Service Investments | 0.8 | n/a** |

**returns are based on income only. Money market returns as at 30 September 2019*

*** based on latest complete financial year and value as at 31-3-2019*

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 2020. 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 2024 (£m)

| | 2019 Actual | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|
| Usable Reserves: | | | | | | |
| • Earmarked and specific | 8.2 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 |
| • New Homes Bonus | 13.2 | 15.0 | 12.8 | 9.4 | 9.1 | 8.9 |
| • Asset Replacement | 7.2 | 5.6 | 4.2 | 4.2 | 4.2 | 4.1 |
| • Capital receipts reserve | 1.7 | 1.0 | 3.5 | 4.3 | 4.3 | 4.4 |
| • General Fund | 15.3 | 14.5 | 14.5 | 13.6 | 13.6 | 13.5 |
| Grants and contributions | | | | | | |
| • Commuted payments (s.106) | 5.1 | 4.5 | 4.4 | 4.4 | 4.4 | 4.4 |
| Community infrastructure Levy | 6.1 | 9.0 | 9.6 | 4.3 | - | 1.2 |
| Working Capital | 8.2 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Total Resources | 65.0 | 60.1 | 59.5 | 50.7 | 46.1 | 47.0 |
| Internal investments | 47.0 | 25.1 | 24.5 | 15.7 | 11.1 | 12.0 |
| External Investments | 18.0 | 35.0 | 35.0 | 35.0 | 35.0 | 35.0 |
| Total Investments | 65.0 | 60.1 | 59.5 | 50.7 | 46.1 | 47.0 |
| Capital financing requirement (CFR) | - | - | - | - | - | - |
| External Debt | - | - | - | - | - | - |

The above figures are based on the Councils latest resource projections and include assumptions about timing of transactions that may differ from actual delivery

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 or any financial lease liabilities that will be recognised following the adoption of IFRS16 on 1 April 2020.

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 cost of Council services.

Table 3: Proportionality of Investments

| | 2017-18 Actual | 2018-19 Actual | 2019/20 Budget | 2020/21 Budget |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Net Cost of services £m | 18.7 | 20.0 | 18.9 | 20.4 |
| Commercial property income £m | 0.7 | 1.0 | 1.0 | 1.0 |
| Proportion % | 3.7 | 5.0 | 5.3 | 4.9 |

Net Cost of Services is as presented in the Council's annual financial statements. Income from Commercial properties is gross. In accordance with professional best practice the Council does not formally value rental income streams further than 12 months in advance.

Income from commercial properties is expected to remain below 10% of the Council's net cost of services.

In setting this reporting threshold the Council does not intend for it to prevent the Council charging market rents or lending at market interest rates. If at any point this warning limit is exceeded, a report on the risk to the Council's overall revenue budget will be made to the Council's Corporate Governance and Audit Committee and to the Cabinet.

To mitigate the risk on front line services should commercial 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 an appendix to the Council's financial strategy and are available online via the published papers for the Council's Corporate Governance and Audit Committee and Cabinet.

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 £60m and £90m during the 2020/21 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.

UK exit from the European Union

The Council has prepared for the impact of the UK's exit from the European Union 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 Unsecured ¹ £30m | Banks Secured ¹ 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 5 years | £6m 7 years | £6m 7 years | £3m 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) | £1m 6 months | n/a | n/a | n/a |

| | | | | |
|-------------------------------|---|--|--|--|
| pooled funds) | | | | |
| 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 £30m (excludes the Local Authority Property Fund). £10m in the Local Authority Property Fund | | | |
| Real Estate Investment Trusts | £2m per REIT to a maximum of £4m overall | | | |

- *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 and REITs as they are intended to be for the long term.*

This table must be read in conjunction with the detailed 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.

Real estate investment trusts (REIT): Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

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

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, this is considered to be the most appropriate status.

Negative interest rates

If the UK enters into a recession in 2020/21, 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 |
| Introduce Ethical, Social and Governance (ESG) | Unknown and would depend on investments | Increased risk that we would be unable to find |

| | | |
|-----------------------------------|------|---|
| factors into investment decisions | made | sufficiently secure counterparties to spread risk, leading to increased risk of loss. This would contravene investment Regulations issued by the MHCLG requiring security to be given highest priority. |
|-----------------------------------|------|---|

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 £36.0m on 31st March 2020. 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 which 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 (being significantly less than 25% of available reserves). 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

| Institution/ Sector | 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 £30m in total |
| Negotiable instruments held in a broker's nominee account | £10m per broker |

| Institution/ Sector | Cash limit |
|---|--|
| Foreign countries | £6m per country |
| Unsecured investments with Building Societies | £6m in total |
| 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 |
| Real Estate Investment Trusts | £2m per REIT with £4m in total across all REITs |

The limit on Property Funds or REITs 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.

The limit for 'other long term liabilities' includes the Council's best estimate of finance lease liabilities that may be recognised following adoption of IFRS16 on 1 April 2020.

Table 6: Operational boundary for external debt

| Operational Boundary | 2019/20 £m | 2020/21 £m | 2021/22 £m | 2022/23 £m | 2023/24 £m |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| Borrowing | 10 | 10 | 10 | 10 | 10 |
| Other long-term liabilities | 2 | 3 | 3 | 3 | 3 |
| Total Debt | 12 | 13 | 13 | 13 | 13 |

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 | 2019/20 £m | 2020/21 £m | 2021/22 £m | 2022/23 £m | 2023/24 £m |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|
| Borrowing | 20 | 20 | 20 | 20 | 20 |
| Other long-term liabilities | 5 | 5 | 5 | 5 | 5 |
| Total Debt | 25 | 25 | 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 £15m on 31 March 2019, significantly 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 £34,000 each, equivalent to 2% of their fair value. For the final property, the unrealised loss is £207,000 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 significant cash and short term investment balances 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 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 8, 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 sets out the upper limit for each forward financial year period for the maturing of investments for periods longer than 364 days up to their final maturities beyond the end of the financial period

Table 11: Limits on investment periods (£m)

| | 2020/21 | 2021/22 | 2022/23 |
|---|---------|---------|---------|
| 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 2019, 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 | 0 | 0 |
| Pooled funds (£17.5m) | 0.05 | 0.05 | 0.5 |

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 protocol. 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 2019

This summary has been provided by Arlingclose Ltd

Economic background

The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2020/21.

UK Consumer Price Inflation (CPI) for September registered 1.7% year on year, unchanged from the previous month. Core inflation, which excludes the more volatile components, rose to 1.7% from 1.5% in August. The most recent labour market data for the three months to August 2019 showed the unemployment rate ticked back up to 3.9% while the employment rate was 75.9%, just below recent record-breaking highs. The headline 3-month average annual growth rate for pay was 3.8% in August as wages continue to rise steadily. In real terms, after adjusting for inflation, pay growth increased 1.9%.

GDP growth rose by 0.3% in the third quarter of 2019 from -0.2% in the previous three months with the annual rate falling further below its trend rate to 1.0% from 1.2%. Services and construction added positively to growth, by 0.6% and 0.4% respectively, while production was flat and agriculture recorded a fall of 0.2%. Looking ahead, the Bank of England's Monetary Policy Report (formerly the Quarterly Inflation Report) forecasts economic growth to pick up during 2020 as Brexit-related uncertainties dissipate and provide a boost to business investment helping GDP reach 1.6% in Q4 2020, 1.8% in Q4 2021 and 2.1% in Q4 2022.

The Bank of England maintained Bank Rate to 0.75% in November following a 7-2 vote by the Monetary Policy Committee. Despite keeping rates on hold, MPC members did confirm that if Brexit uncertainty drags on or global growth fails to recover, they are prepared to cut interest rates as required. Moreover, the downward revisions to some of the growth projections in the Monetary Policy Report suggest the Committee may now be less convinced of the need to increase rates even if there is a Brexit deal.

Growth in Europe remains soft, driven by a weakening German economy which saw GDP fall -0.1% in Q2 and is expected to slip into a technical recession in Q3. Euro zone inflation was 0.8% year on year in September, well below the European Central Bank's target of 'below, but close to 2%' and leading to the central bank holding its main interest rate at 0% while cutting the deposit facility rate to -0.5%. In addition to maintaining interest rates at ultra-low levels, the ECB announced it would recommence its quantitative easing programme from November.

In the US, the Federal Reserve began easing monetary policy again in 2019 as a pre-emptive strike against slowing global and US economic growth on the back of the ongoing trade war with China. At its last meeting the Fed cut rates to the range of 1.50-1.75% and financial markets expect further loosening of monetary policy in 2020. US GDP growth slowed to 1.9% annualised in Q3 from 2.0% in Q2.

Credit outlook

Credit conditions for larger UK banks have remained relatively benign over the past year. The UK's departure from the European Union was delayed three times in 2019 and while there remains some concern over a global economic slowdown, this has yet to manifest in any credit issues for banks. Meanwhile, the post financial crisis banking reform is now largely complete, with the new ringfenced banks embedded in the market.

Challenger banks hit the news headlines in 2019 with Metro Bank and TSB Bank both suffering adverse publicity and falling customer numbers.

Looking forward, the potential for a “no-deal” Brexit and/or a global recession remain the major risks facing banks and building societies in 2020/21 and a cautious approach to bank deposits remains advisable.

Interest rate forecast

The Authority’s treasury management adviser Arlingclose is forecasting that Bank Rate will remain at 0.75% until the end of 2022. The risks to this forecast are deemed to be significantly weighted to the downside, particularly given the upcoming general election, the need for greater clarity on Brexit and the continuing global economic slowdown. The Bank of England, having previously indicated interest rates may need to rise if a Brexit agreement was reached, stated in its November Monetary Policy Report and its Bank Rate decision (7-2 vote to hold rates) that the MPC now believe this is less likely even in the event of a deal.

Gilt yields have risen but remain at low levels and only some very modest upward movement from current levels are expected based on Arlingclose’s interest rate projections. The central case is for 10-year and 20-year gilt yields to rise to around 1.00% and 1.40% respectively over the time horizon, with broadly balanced risks to both the upside and downside. However, short-term volatility arising from both economic and political events over the period is a near certainty.

Capital Strategy 2020/21 to 2024/25

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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

The Council's Corporate Plan was approved on 23 January 2018 and runs until 31 March 2021. The Council's priorities over this period 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 Community 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 Growth & Place has delegated authority to let, manage, repair and maintain properties.

The Directors of Corporate Services and Growth and Place are responsible for providing professional advice to Cabinet and Council in the discharge of these functions, with the Director of Corporate Services being responsible for 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 2019 was



Capital Programme

In 2019-20 the Council is planning to spend £13.8m on capital assets. This is part of an overall planned programme of £55.2m in the period 2019-20- to 2024-25, which includes the following major schemes

Table 1: Approved capital programme and major schemes 2019-20 to 2024-25 £m

| Capital Expenditure | 2019-20 Projected | 2020-21 | Later | Total |
|---|----------------------|---------|-------|-------|
| Total approved spend** | 13.8 | 15.7 | 25.7 | 55.2 |
| Major schemes | | | | |
| St James Industrial Estate | 0.1 | 2.0 | 3.1 | 5.2 |
| Southern Gateway | 4.3 | - | - | 4.3 |
| New Homes Bonus allocations | 0.3 | 0.3 | 1.0 | 1.6 |
| Disabled Facilities grants | 1.9 | 1.4 | 5.4 | 8.7 |
| Affordable and Community led Housing | 1.2 | 1.4 | 1.8 | 4.4 |
| Infrastructure Business plan: School Places | - | 1.2 | 2.4 | 3.6 |
| Infrastructure Business Plan: Southern Gateway | - | - | 4.0 | 4.0 |
| Infrastructure Business Plan: Sustainable Transport Corridor | - | 0.5 | 0.5 | 1.0 |
| Infrastructure Business Plan: Medical Centre West Chichester | - | 1.7 | - | 1.7 |
| Infrastructure Business Plan: Westhampnett Waste Transfer Station | - | 2.5 | - | 2.5 |
| Infrastructure Business Plan: Area Wide Parking Management | - | 0.5 | 0.2 | 0.7 |
| Asset Replacements | 3.3 | 2.8 | 5.7 | 11.8 |

*** 2020-25 draft programme*

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 resource projection at December 2019 is shown below.

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

| Resources 2019-20 to 2024-25 | Total |
|---|-------------|
| Expected Available reserves 31 March 2019 | 45.9 |
| New Resources expected in period | |
| - Capital receipts | 7.9 |
| - Interest | 1.6 |
| - Contribution to asset replacement fund | 8.4 |
| - New Homes Bonus | 2.2 |
| - External income, including CIL | 24.4 |
| - Other sources | 3.8 |
| Less | |
| - Minimum level of reserves | (6.3) |
| - Reserve commitments- revenue | (8.2) |
| - other commitments | (1.0) |
| - Approved capital projects | (43.4) |
| - Current Asset replacements | (11.8) |
| - Total approved spend | (55.2) |
| Available Resources | 23.5 |

Tables 1 and 2, 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, Commercial 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 and 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 and further information about this is available on the Council's website, <https://www.chichester.gov.uk/southerngateway>.

The Council is also evaluating options to improve one of its industrial estates, and to expand the provision of accommodation for homeless within the District. Both projects are subject to ongoing design and evaluation work that will extend into 20-21.

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 approximately 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 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 3: Forecast treasury management investments in £m (31 March)

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|
| Near-term investments | 25.1 | 24.5 | 15.7 | 11.1 | 12.0 |
| Longer-term investments | 35.0 | 35.0 | 35.0 | 35.0 | 35.0 |
| TOTAL | 60.1 | 59.5 | 50.7 | 46.1 | 47.0 |

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, except for any finance lease liabilities that could be recognised following the adoption of IFRS16 from 1 April 2020.

The Capital Financing Requirement (CFR) is a measure of the Council's underlying need to borrow to fund capital expenditure. The Council currently has a zero CFR and expects this to continue throughout the period to 31 March 2025, although our projections below incorporate some headroom for 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 4: Proposed Operational and authorised limits for borrowing (£M)

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|---|---------|---------|---------|---------|
| Operational Boundary – borrowing | 10 | 10 | 10 | 10 |
| Operational Boundary– PFI and leases | 3 | 3 | 3 | 3 |
| Operational Boundary– total external debt | 13 | 13 | 13 | 13 |
| Authorised Limit – borrowing | 20 | 20 | 20 | 20 |
| Authorised Limit– PFI and leases | 5 | 5 | 5 | 5 |
| Authorised Limit– total external debt | 25 | 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 2020-21 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, the majority for housing renewal purposes.

The Council has also agreed to provide up to £2m funding to a public sector body to facilitate a major redevelopment scheme. This funding is repayable within the next three years and is subject to a formal funding agreement signed by both parties.

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 total value of loans made by the Council to external third parties is disclosed on the Council's annual statement of accounts, although some loans have been treated as capital expenditure in accordance with the Local Authorities (Capital Finance and Accounting) (England) Regulations.

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.

The majority of this income comes from properties held primarily to support the provision of local services, not to make a profit or for any appreciation in value. Examples of these activities include rents and licence fees from industrial units, commercial and industrial ground leases, shops, offices and other lettings to sports, community and voluntary organisations.

Only a small proportion of the assets involved are held because rental income and/or capital appreciation were substantial factors in the decision to acquire or hold them. These are classified as 'investment properties' and disclosed in the Council's statement of accounts. These assets generate around £1m per annum in income which is used to support front line services.

General capital investment in commercial property is likely to take three 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 has approved an investment opportunities protocol that 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 protocol also provides specific guidance on the enhanced scrutiny required, including:

- 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

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. This 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.

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.

For 2020-21 the Council has followed the recommendations of the Ministry of Housing, Communities and Local Government and included an indicator for the ratio of commercial income to net service expenditure in its investment strategy.

Further details on this and general 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.

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 who jointly have over 33 years' 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

[1] 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
- limit its investment activities to the instruments, methods and techniques referred to in [TMP4](#) and 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 rating 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 Leading credit rating agencies 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.

[2] 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 and statutory authority 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

[3] 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

[4] 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.

[5] Refinancing risk management

The Council ensures that any borrowing, private financing 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.

[6] Legal and regulatory risk management

The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements.

It will demonstrate such compliance if required to do so, to all parties with whom it deals in such activities. In framing its credit and counter party policy the Council will ensure that there is evidence of counter parties' powers, authority and compliance in transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council manages the risk of 'Bail-in' by limiting its exposure to unsecured deposits and also by specifying counterparty investment limits. See TMP4 for further information.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, in so far as it is reasonable to do so, will seek to minimise the risk of these impacting adversely on the organisation.

[7] Fraud error and corruption, and contingency management

The Council ensures that it has identified the circumstances that may expose it to the loss through fraud, error, corruption or other eventualities in its treasury management dealings. It employs suitable systems and procedures and maintains effective contingency management arrangements, to these ends.

The Council's treasury management system is considered sufficiently resilient to contingencies as it is a hosted solution operated by Logotech. Data is backed up to off-site servers operated by the software supplier.

The Council has a business continuity plan and key functions, including cash management and payments are included in that plan

[8] Fair value risk management

The Council is able to invest in variable Net Asset Value Instruments, or instruments that are revalued to Fair Value each accounting period, subject to the risk management provisions below

For the main classes of such instrument, the risk to security of the principal sum involved are managed as follows

| Investment | Risk | Mitigating actions and risk management |
|--|---|--|
| Money Market Funds | These funds are likely to be Low Volatility Net Asset value funds | Exposure is limited by restrictions on the total invested in any single Money Market fund and across all funds. |
| External Pooled funds, including the Local Authority Property Fund | We may incur a loss to the Council's General fund balances if the Fair Value of these investments falls | <p>The Council's investment in external pooled funds (including the Local Authority Property Fund) is limited by the Council's annual Treasury strategy.</p> <p>The Council carefully selects mixed asset and diversified funds to reduce the potential for volatility of capital values.</p> <p>The potential exposure to movements in fair values is considered in determining the adequacy of the Council's revenue reserves.</p> |

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Appendix 5 – Treasury Management Glossary (updated December 2019)

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| 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 of England | The central bank of the UK |
| 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. |
| Bill | A certificate of short-term debt issued by a company, government or other institution, tradable on the financial market |
| Bond | A certificate of debt issued by a company, government, or other institution. The bond holder receives interest at a rate stated at the |

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| | 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. |
| Call Account | A deposit account that can be called back (repayment requested), normally on an instant basis |
| 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. |
| Capital gain or loss | An increase or decrease in the capital value of an investment, for example through movements in its market price. |
| 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. |
| Capital Strategy | An annual report required by the Prudential Code that sets out a local authority's high level plans for capital expenditure, debt and investments and its prudential indicators for the forthcoming financial year. |
| Cash Plus fund | A collective investment scheme similar to a money market fund but with a longer duration (around 6 months) |
| CIPFA | The Chartered Institute of Public Finance and Accountancy – the professional body for accountants working in the public sector. CIPFA also sets various standards for Local Government |
| Collective Investment Scheme | Scheme in which multiple investors collectively hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are often referred to as 'pooled funds') |
| Commercial Investment | An investment whose main purpose is generating income, such as investment property. |
| 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 |

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| 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 |
| 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 |

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| | 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. |
| 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. |
| Ministry for Housing, Communities and Local Government (MHCLG) | The MHCLG is the UK Government Ministry for Housing, Communities and Local Government in England. |
| 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 |

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| | <p>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> <ul style="list-style-type: none"> • 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. |
| 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. |
| 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. See also '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. |
| REIT | Real estate Investment Trust – a company whose main activity is owning investment property and is therefore similar to a property fund in many respects |
| Revenue Expenditure | Expenditure to meet the continuing cost of delivery of services including salaries and wages, the purchase of materials and capital |

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| | 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 |
| 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 2017 |
| 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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Chichester District Council



Budget Spending Plan 2020-21

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Leader of the Council

Planning Services

Community Services and Culture

Growth, Place and Regeneration

Housing, Communications, Licensing and Events

Environment Services and Chichester Contract Services

Finance, Corporate Services and Revenues and Benefits

Capital and Projects Programme 2020-21

Asset Replacement Project Programme 2020-21

INTRODUCTION

This document contains details of the Council's revenue and capital budget spending plans for the financial year 2020-21. 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 2020-21.

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 which are now expected from 2021-22 with the expectation of diminishing resources.

Due to the delays in the Fair Funding Review and Localisation of Business Rates until 2021, the Financial Settlement for 2020-21 is for one year only, which is essentially an extension to the previously agreed four-year settlement that covered the period 2016-17 to 2019-20, with some minor changes. The Council is no longer in a Business Rates Retention Scheme (BRRS) Pool in West Sussex as the 75% BRRS pilot for 2019-20 was allowed for one year only.

Council Spending – Revenue Budget

The Council's revenue budget requirement for 2020-21 is £14.236m (£12.650m excluding NHB). This represents a spending increase of 2.9% (or an 8.6% increase when excluding the NHB) over the base budget for 2019-20.

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 2020-21 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 2020-21 budget includes a Capital Programme of £15.68m. Of this sum the following major schemes have been provided for:

- £3.3m for various housing grants including Disabled Facilities Grants and Affordable Housing Grants;
- £2.7m for the Asset Replacement Programme;
- £6.9m for Community Infrastructure Levy projects; and
- £2.0m for refurbishment and replacement of units at St. James Industrial Estate.

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 1.99% or £5. This equates to a 3.1% increase, or less than 10 pence per week.

For 2020-21, Chichester District Council has proposed a council tax charge of £165.81, an increase of £5 on the charge for 2019-20.

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 2019/20 £000 | Budget 2020/21 £000 |
|--|---------------------------|---------------------------|
| Leader | | |
| Corporate Management | 1,255 | 842 |
| | 1,255 | 842 |
| Planning Services | | |
| Development Management | 566 | 529 |
| Planning Policy | 2,785 | 3,333 |
| | 3,350 | 3,862 |
| Community Services and Culture | | |
| Culture | 1,381 | 1,500 |
| Health and Wellbeing | 181 | 156 |
| Communities | 1,389 | 1,351 |
| | 2,952 | 3,007 |
| Growth, Place and Regeneration | | |
| Property and Growth | 426 | -150 |
| Place | -3,426 | -3,374 |
| | -2,999 | -3,524 |
| Housing, Communications, Licensing and Events | | |
| Housing | 2,433 | 2,993 |
| Licensing and Events | -59 | -10 |
| Communications | 223 | 383 |
| | 2,597 | 3,366 |
| Environment Services and Chichester Contract Services | | |
| Environmental Protection | 1,320 | 1,237 |
| Health Protection | 725 | 681 |
| Chichester Contract Services | 3,626 | 4,550 |
| | 5,671 | 6,468 |
| Finance, Corporate Services and Revenues and Benefits | | |
| Financial Services | 1,128 | 1,163 |
| Business Support | 2,633 | 2,805 |
| Legal and Democratic Services | 1,259 | 1,236 |
| Revenues and Benefits | 1,097 | 1,261 |
| | 6,118 | 6,465 |
| Cost of Services | 18,944 | 20,486 |

Comprehensive Income and Expenditure Account

| | Budget 2019/20 £000 | Budget 2020/21 £000 |
|--|---------------------------|---------------------------|
| Financing and Investment Income and Expenditure | | |
| Interest and investment income | -1,083 | -1,517 |
| Interest received on finance leases (lessor) | -113 | -121 |
| Investment Properties | -956 | -970 |
| Other Income | -30 | -30 |
| | 16,761 | 17,848 |
| <u>ITEMS NOT FUNDED BY COUNCIL TAX</u> | | |
| Notional transactions for comparative and Accounting Code of Practice purposes | -6,999 | -7,599 |
| <u>Net transfer to or (from) reserves</u> | | |
| <u>Earmarked Reserves</u> | | |
| Asset Replacement Reserve | 1,337 | 1,257 |
| Capital Projects Reserve | 283 | 454 |
| Restructuring Reserve | -314 | 0 |
| Investment Opportunities Reserve | 38 | 0 |
| New Homes Bonus Reserve | 2,178 | 1,557 |
| New Homes Bonus Grants Reserve | -250 | -250 |
| Elections Reserve | 30 | 35 |
| Corporate Plan Projects 2018-19 Reserve | -57 | -23 |
| Corporate Plan Projects 2019-20 Reserve | -206 | 0 |
| Revenue Budget Support Reserve | 150 | 0 |
| Other Reserves | 534 | 472 |
| <u>General Fund Reserve</u> | 0 | 484 |
| | 3,722 | 3,986 |
| | | |
| DISTRICT COUNCIL REQUIREMENT | 13,485 | 14,236 |

Budget Spending Plans 2020-21

The Council's estimated budget requirement for 2020-21 is £14.236m (£12.650m excluding NHB). This represents a spending increase of 2.9% (or an 8.6% increase when excluding the NHB) over the base budget for 2019-20. The movement can be analysed as follows:

| <u>Major Variations</u> | <u>£000</u> |
|---|---------------|
| Base Budget 2019-20 | 13,830 |
| | |
| <u>Expenditure budget increases (+9.1%)</u> | |
| 1. Pay Settlement | 388 |
| 2. Housing Benefits | 259 |
| 3. Salary Increments | 207 |
| 4. Net Inflation on Prices | 121 |
| 5. CCS staffing budget realignment | 119 |
| 6. Business Rates payments on Council Properties | 73 |
| 7. Insurance Premiums | 48 |
| 8. Trade Food Waste Collection trial | 20 |
| Other Minor Variations (net) | 19 |
| | 1,254 |
| | |
| <u>Expenditure budget decreases (-1.5%)</u> | |
| 9. Pension Contributions | -110 |
| 10. National Insurance Contributions | -42 |
| 11. Council Tax Reduction Scheme Grant to Parish Councils | -34 |
| 12. Estates staffing | -24 |
| | -210 |
| | |
| <u>Decreases in income (+6.0%)</u> | |
| 13. Recycling credits receivable from WSCC | 769 |
| 14. Car Parking | 39 |
| 15. Leisure Centre Management | 31 |
| | 839 |
| | |
| <u>Additional income (-3.3%)</u> | |
| 16. Planning Application Income | -200 |
| 17. Estates rental income | -109 |
| 18. Income from recovery of insurance premiums | -55 |
| 19. CIL funding of administration costs | -35 |
| 20. Against Litter project Income | -23 |
| 21. Domestic and Green Waste Income | -19 |
| 22. Council Tax Court Cost Income | -19 |
| | -460 |
| | |
| <u>Service Efficiencies (-3.1%)</u> | |
| 23. Savings arising from staff restructures | -146 |
| 24. Senior Management Restructure | -76 |
| 25. Environmental Health Service Review | -60 |
| 26. Performance targets for CCS | -52 |

| | |
|---|---------------|
| 27. ICT Service Efficiency Saving | -45 |
| 28. Communications Service Review | -32 |
| 29. Planning application efficiency and new charges | -22 |
| | <hr/> |
| | -433 |
| <u>Growth Items (+0.5%)</u> | |
| 30. Housing Contingency | 75 |
| | <hr/> |
| | 75 |
| <u>31. Contribution to/from reserves – subject to Final Settlement (-0.5%)</u> | |
| Contribution to earmarked reserves (for Climate Change Emergency and Car Parking) | -495 |
| Contribution to Pay Review Reserve | -61 |
| Contribution to the Investment Opportunities Reserve | -38 |
| Retained Business Rates Equalisation Reserve | -20 |
| Revenue contribution to the provision for future asset renewals | 63 |
| Transfer to the General Fund Reserve | 484 |
| | <hr/> |
| | -67 |
| | <hr/> |
| Budget Requirement (excluding decrease in NHB) | 14,828 |
| | |
| <u>NHB (movement in year) (-4.3%)</u> | -592 |
| | <hr/> |
| Budget Requirement 2020-21 | 14,236 |
| | <hr/> |
| Financed By: | |
| <u>Financial Settlement</u> | |
| Revenue Support Grant | 0 |
| Settlement related grants | 189 |
| | <hr/> |
| | 189 |
| <u>Council Tax</u> | |
| Council Tax payers | 8,975 |
| Collection Fund deficit (Council Tax) | 66 |
| | <hr/> |
| | 9,041 |
| <u>Business Rates Retention Scheme (BRRS)</u> | |
| Retained Business Rates | 18,808 |
| Business Rate Tariff payable to central government | -17,330 |
| BRRS grants from central government | 2,696 |
| Business Rates Levy payable to central government | -889 |
| Collection Fund surplus (NDR) | 136 |
| | <hr/> |
| | 3,421 |
| | |
| Funding excluding NHB | 12,651 |
| | |
| NHB | 1,585 |
| | <hr/> |
| Total Funding | 14,236 |
| | <hr/> |

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 £387,800)
The 2020-21 base budget includes provision for a 2% pay increase of £388k (including employer's national insurance and pension contributions).
2. Housing Benefits (net) (budget Increase of £259,700)
This budget increase is made up of the following three elements;
 - 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 £27.9 million compared to the outturn for 2018-19 of £33.1 million. The budget estimate of £24.2 million for 2020-21 reflects a reduction of 22.2% on the 2019-20 budget as an estimate of the impact of changes to Housing Benefit entitlement. The council is estimated to receive £23.6 million Housing Benefit Subsidy. The net cost to the Council (excluding the recovery of overpayments) has decreased by £148k from £741k to £593k. This variation reflects 0.61% of the total estimated expenditure in 2020-21.
 - Reduction in the level of identified housing benefit overpayments of £387k. The level of identified HB overpayments prior to the 2018-19 financial year had been significantly higher due to a number of DWP initiatives, the impact of which saw a significant downturn in the previous financial year. In addition, the introduction of new working practices to prevent overpayments from increasing further has resulted in a reduction of identified overpayments against the base budget forecast by some £500k in 2018-19. This has been ongoing through 2019-20, and the impact of this change was not apparent at the time of setting the 2019-20 base budget.
 - A reduction of £20k in Housing Benefit administration subsidy grant provided by the Department for Work and Pensions.
3. Salary Increments (budget increase of £207,000)
The impact of incremental drift on council staff salaries.
4. Net Inflation on prices (budget increase of £120,700)
This takes into account cost inflation of £270k which is offset against income inflation (excluding car parks) of £150k. General inflation has been estimated at 3%.
5. CCS staffing budget realignment (budget increase of £119,200)
Household numbers have increased significantly over the last 5+ years, with each household requiring a waste collection service. Whilst the existing fleet size has been able to support this growth additional crew members and overtime has been necessary to ensure the same level of service can be provided. The labour costs have increased as a result of this growth but the budgets have not correspondingly increased over the same time period.
6. Business Rates Payments (budget increase of £73,200)
Overall increase in business rates payable on council owned properties. The most significant variations relate to an increase in the rateable value of council car parks (£35k), and the impact of decanting the units at St James' Industrial Estate in readiness for the future refurbishment programme (£28k).
7. Insurance Premiums (budget increase of £48,000)
Increase in Council-wide insurance premiums.

8. Trade Food Waste Collection Trial (budget increase of £19,500)
Year one of a two year Trade Food Waste collection Trial as approved at September 2019 Cabinet.

Budget Decreases

9. Pension Contributions (budget decrease of £111,200)
The employer's pension contribution rate will decrease by 1% in 2020-21 from 21.4% to 20.4% reducing the cost to the Council by £140k. There is however an additional cost of £29k for staff joining the pension scheme. The total annual employer's pension costs for 2020-21 are estimated to be some £2.9m.
10. National Insurance Contributions (budget decrease of £42,400)
Reduction in national insurance costs as a result of changes to the contribution rate thresholds.
11. Council Tax Reduction Scheme Grant to Parish Councils (budget decrease of £34,400)
As agreed in the Financial Strategy, Council Tax Reduction Scheme Grant support to parish councils has been withdrawn.
12. Estates Staffing (budget decrease of £24,200)
The 2019-20 base budget included the final year of funding for a two year temporary post of Estates Project Officer. The funding provided of £41k has been removed for 2020-21. This post has now been made permanent and the funding from 2020-21 has been found from staffing budget vacancies that were included in the 2019-20 base budget of £24k and a budget increase of £17k. These changes have resulted in an overall reduction of £24k on the budget between 2019-20 and 2020-21.

Decreases in Income

13. Recycling credits receivable from WSCC (decrease in income of £769,000)
The withdrawal of West Sussex County Council recycling credit payments has led to a reduction in income.
14. Car Parks (decrease in income of £38,600)
Car parking income has decreased due to the following:
- £161k 3% inflationary increase on car parking income
 - Permanent adjustment downwards of £200k for car parking income reflecting the current downturn in usage.
15. Leisure Centre Management (decrease in income of £31,200)
The income the Council will receive from the leisure management contract will decrease marginally from £646k to £615k in year 5 of the ten year contract.

Additional Income

16. Planning Application Income (additional income of £200,000)
Projected increase in planning applications mainly from applications for major developments.
17. Estates rental income (additional income of £109,400)
Most significant changes are: Increases in Enterprise Centre £46k, Plot 12 Terminus Road £21k, Ravenna Point £30k, Quarry Lane £23k, against a decrease of £27k at Crane Street.
18. Income from recovery of Insurance premiums (additional income of £54,700)
Reinstated budgets for the recovery insurance premiums from service charges on let council properties that had been removed from the 2019-20 base budget in error.
19. Community Infrastructure Levy (CIL) Funding (additional income of £35,000)
The Community Infrastructure Levy regulations allow up to 5% of the CIL receipt received in a year to be used to offset the administration costs of running the scheme. The value of CIL

receipts the council forecasting to receive is due to increase thus increasing the amount available to offset administration costs.

20. Against Litter project Income (additional income of £23,200)
The Against Litter project has received more income than anticipated. It is expected that this will be a recurring trend.
21. Domestic and Green Waste Income (additional Income £19,000)
Increased income generated by the green waste and domestic waste services. This additional income has been used to fund the contribution required to the Asset Replacement Programme for future asset replacement of a rota-press vehicle.
22. Council Tax Court Cost Income (additional income of £19,100)
Increase in the level of Council Tax Court Cost income based upon prior year trends.

Service Efficiencies

23. Savings arising from staffing restructures (budget decrease of £146,000)
Further staffing restructures have produced the following savings:
 - Youth Engagement £15k
 - Revenues and Benefits £46k
 - Contact Centre £13k
 - Building Control £25k
 - Development management £47k
24. Savings arising from Senior Management Restructure (budget decrease of £76,100)
Residual savings from the senior management restructure as agreed at Council in November 2016 and January 2019.
25. Environmental Health Service Review (budget decrease of £60,000)
The Environmental Health Service review is estimated to produce a saving of £60k in 2020-21 and a further £60k in 2021-22.
26. Performance Targets for CCS Income (additional income £52,500)
For 2020-21, the following CCS performance targets have been introduced;
 - Introduction of Trade Waste charges to Air B&B properties £5k
 - Trade Waste targeting key businesses in the city £5k
 - Trade Waste gain key lucrative contracts across district £13k
 - Trade Waste, separate trade food collection £5k
 - Promotion of Chichester DC Trade Waste services when letting council properties £5k
 - Provision of a vehicle wash facility for external use £10k
 - Increase MOT and private hire inspection provision (increased weekday slots and Saturday) £10k
27. ICT Service Efficiency Savings (budget decrease of £45,400)
ICT reduction in professional services, telecommunications and equipment budgets.
28. Communications Service Review (budget decrease of £32,000)
The Communication Service review is estimated to produce a saving of £32k.
29. Planning budget efficiencies and proposed new charges (additional income of £22,500)
The following has been agreed:
 - Implementation of a new pre-application charging regime £10k
 - Introduction of a fast track planning services charging scheme £3k
 - Reduction in the cost of advertising £10k.

Growth Items

30. Housing Contingency (budget increase of £75,000)

Increase in Housing Contingency fund as a consequence of the impact of the WSCC spending review.

Contributions to/from reserves

31. Contributions to/from reserves - subject to Final Settlement (a decrease of £67,000)

At its meeting in March 2019, Council resolved that £495k be transferred to an earmarked reserve and the Cabinet be tasked with consideration of initiatives to appoint a Climate Change Emergency Officer on three year fixed contract at an estimated cost of £150k, and the provision of free evening parking in the Northgate and New Park Centre car parks for three years at a cost of £115k per annum (£345k in total). The non-recurring funding for these two initiatives has been removed from the base budget in 2020-21.

The base budget for 2019-20 included a contribution of £61k to reserves to provide for the staff pay protection payments following the outcome of the Pay Review in January 2019. Funding contributions will be drawn down from this reserve in the next three financial years in accordance with the Pay Protection Policy.

A contribution to reserves of £38k was set aside for new investment opportunities in the base budget for 2019-20. This has been removed from the budget for 2020-21.

The budget for 2020-21 includes a £20k 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 was not required in 2019-20.

Inflationary increase in contribution to the Asset Replacement Programme (ARP) of £43k plus an increased annual contribution of £20k as a result of a review of the fund for the 2020-21 budget. The total contribution to the ARP is £1.4m.

A sum of £484k will be transferred to the General Fund Reserve to mitigate the expected budget deficit in 2021-22.



Cabinet Portfolios

LEADER OF THE COUNCIL PORTFOLIO

Council Leader



Cllr Eileen Lintill
Tel: 01798 342948
[Email: elintill@chichester.gov.uk](mailto:elintill@chichester.gov.uk)

Summary

| | £000 |
|---------------------|-------------|
| Employee costs | 786 |
| Other running costs | 47 |
| Capital charges | 9 |
| Income | 0 |
| Net Cost | 842 |

Area of Responsibility included in Summary:

Corporate Management

| | |
|---------------------|------------|
| Employee costs | 786 |
| Other running costs | 47 |
| Capital charges | 9 |
| Income | 0 |
| | 842 |

PLANNING SERVICES PORTFOLIO

Deputy Leader and Cabinet Member for Planning



Cllr Susan Taylor

Tel: 01243 514034

Email: staylor@chichester.gov.uk

| | £000 |
|---------------------|--------------|
| Summary | |
| Employee costs | 2,815 |
| Other running costs | 501 |
| Capital charges | 2,711 |
| Income | -2,165 |
| Net Cost | 3,862 |

Area of Responsibility included in Summary:

Development Management

| | |
|---------------------|------------|
| Employee costs | 2,108 |
| Other running costs | 403 |
| Capital charges | 32 |
| Income | -2,014 |
| | 529 |

Which includes:

Planning Enforcement

| | |
|---------------------|------------|
| Employee costs | 224 |
| Other running costs | 59 |
| Capital charges | 3 |
| Income | -155 |
| | 131 |

Development Management

| | |
|---------------------|------------|
| Employee costs | 1,884 |
| Other running costs | 344 |
| Capital charges | 29 |
| Income | -1,859 |
| | 398 |

PLANNING SERVICES PORTFOLIO

Planning Policy

| | |
|---------------------|--------------|
| Employee costs | 707 |
| Other running costs | 98 |
| Capital charges | 2,679 |
| Income | -151 |
| | 3,333 |

Which includes:

Conservation and Design

| | |
|---------------------|-----------|
| Employee costs | 36 |
| Other running costs | 28 |
| Capital charges | 0 |
| Income | -8 |
| | 56 |

Planning Policy

| | |
|---------------------|--------------|
| Employee costs | 671 |
| Other running costs | 70 |
| Capital charges | 2,679 |
| Income | -143 |
| | 3,277 |

COMMUNITY SERVICES AND CULTURE PORTFOLIO

Cabinet Member for Community Services and Culture



Cllr Roy Briscoe

Tel: 07877075591

Email: rbriscoe@chichester.gov.uk

£000

Summary

| | |
|---------------------|--------------|
| Employee costs | 1,383 |
| Other running costs | 2,022 |
| Capital charges | 1,325 |
| Income | -1,723 |
| Net Cost | 3,007 |

Area of Responsibility included in Summary:

Culture

| | |
|---------------------|--------------|
| Employee costs | 417 |
| Other running costs | 1,105 |
| Capital charges | 903 |
| Income | -925 |
| | 1,500 |

Which includes:

Arts Development

| | |
|---------------------|----------|
| Employee costs | 0 |
| Other running costs | 31 |
| Capital charges | 22 |
| Income | -50 |
| | 3 |

Leisure and Sports Development

| | |
|---------------------|-----------|
| Employee costs | 27 |
| Other running costs | 21 |
| Capital charges | 12 |
| Income | 0 |
| | 60 |

Leisure Centres Contract Management

| | |
|---------------------|------------|
| Employee costs | 22 |
| Other running costs | 74 |
| Capital charges | 693 |
| Income | -562 |
| | 227 |

COMMUNITY SERVICES AND CULTURE PORTFOLIO

Novium Museum and Tourist Information

| | |
|---------------------|------------|
| Employee costs | 363 |
| Other running costs | 545 |
| Capital charges | 172 |
| Income | -240 |
| | 840 |

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 | 384 |
| Capital charges | 4 |
| Income | -73 |
| | 320 |

Health and Wellbeing

| | |
|---------------------|------------|
| Employee costs | 339 |
| Other running costs | 154 |
| Capital charges | 7 |
| Income | -344 |
| | 156 |

Which includes:

Health Development

| | |
|---------------------|------------|
| Employee costs | 339 |
| Other running costs | 154 |
| Capital charges | 7 |
| Income | -344 |
| | 156 |

Communities

| | |
|---------------------|--------------|
| Employee costs | 627 |
| Other running costs | 763 |
| Capital charges | 415 |
| Income | -454 |
| | 1,351 |

Which includes:

CCTV

| | |
|---------------------|------------|
| Employee costs | 0 |
| Other running costs | 205 |
| Capital charges | 12 |
| Income | -5 |
| | 212 |

Community Engagement

| | |
|---------------------|------------|
| Employee costs | 161 |
| Other running costs | 500 |
| Capital charges | 392 |
| Income | -285 |
| | 768 |

COMMUNITY SERVICES AND CULTURE PORTFOLIO

Community Safety

| | |
|---------------------|------------|
| Employee costs | 367 |
| Other running costs | 51 |
| Capital charges | 10 |
| Income | -164 |
| | <u>264</u> |

Local Partnerships

| | |
|---------------------|------------|
| Employee costs | 99 |
| Other running costs | 7 |
| Capital charges | 1 |
| Income | 0 |
| | <u>107</u> |

GROWTH, PLACE AND REGENERATION PORTFOLIO

Cabinet Member for Growth, Place and Regeneration



Cllr Martyn Bell

Tel: 01243 539806

Email: mbell@chichester.gov.uk

Summary

| | £000 |
|---------------------|---------------|
| Employee costs | 1,622 |
| Other running costs | 2,596 |
| Capital charges | 631 |
| Income | -8,373 |
| Net Cost | -3,524 |

Area of Responsibility included in Summary:

Property and Growth

| | |
|---------------------|-------------|
| Employee costs | 923 |
| Other running costs | 517 |
| Capital charges | 291 |
| Income | -1,881 |
| | -150 |

Which includes:

Building Services

| | |
|---------------------|------------|
| Employee costs | 216 |
| Other running costs | 22 |
| Capital charges | 3 |
| Income | 0 |
| | 241 |

Economic Development

| | |
|---------------------|------------|
| Employee costs | 266 |
| Other running costs | 64 |
| Capital charges | 25 |
| Income | 0 |
| | 355 |

Estates Services

| | |
|---------------------|-------------|
| Employee costs | 441 |
| Other running costs | 431 |
| Capital charges | 263 |
| Income | -1,881 |
| | -746 |

GROWTH, PLACE AND REGENERATION PORTFOLIO

Place

| | |
|---------------------|---------------|
| Employee costs | 699 |
| Other running costs | 2,079 |
| Capital charges | 340 |
| Income | -6,492 |
| | -3,374 |

Which includes:

Car Parks

| | |
|---------------------|---------------|
| Employee costs | 541 |
| Other running costs | 1,627 |
| Capital charges | 171 |
| Income | -6,458 |
| | -4,119 |

Footway Lighting

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

Public Conveniences

| | |
|---------------------|------------|
| Employee costs | 48 |
| Other running costs | 397 |
| Capital charges | 168 |
| Income | -28 |
| | 585 |

Vision

| | |
|---------------------|------------|
| Employee costs | 105 |
| Other running costs | 51 |
| Capital charges | 1 |
| Income | -6 |
| | 151 |

Business Improvement Districts

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

Bus Shelters

| | |
|---------------------|----------|
| Employee costs | 1 |
| Other running costs | 0 |
| Capital charges | 0 |
| Income | 0 |
| | 1 |

HOUSING, COMMUNICATIONS, LICENSING AND EVENTS PORTFOLIO

Cabinet Member for Housing, Communications, Licensing and Events



Cllr Norma Graves

Tel: 01798 342881

[Email: ngraves@chichester.gov.uk](mailto:ngraves@chichester.gov.uk)

| | <u>£000</u> |
|--|---------------------|
| Summary | |
| Employee costs | 1,939 |
| Other running costs | 1,792 |
| Capital charges | 1,941 |
| Income | -2,306 |
| Net Cost | <u><u>3,366</u></u> |
| | |
| Area of Responsibility included in Summary: | |
| <u>Housing</u> | |
| Employee costs | 1,287 |
| Other running costs | 1,547 |
| Capital charges | 1,931 |
| Income | -1,772 |
| | <u><u>2,993</u></u> |
| Which includes: | |
| Housing Options | |
| Employee costs | 370 |
| Other running costs | 610 |
| Capital charges | 47 |
| Income | -796 |
| | <u><u>231</u></u> |
| | |
| Housing Standards and Home Move | |
| Employee costs | 425 |
| Other running costs | 78 |
| Capital charges | 124 |
| Income | -42 |
| | <u><u>585</u></u> |
| | |
| Homelessness Prevention | |
| Employee costs | 262 |
| Other running costs | 22 |
| Capital charges | 5 |
| Income | -113 |
| | <u><u>176</u></u> |
| | |
| Housing Delivery | |
| Employee costs | 230 |
| Other running costs | 837 |
| Capital charges | 1,755 |
| Income | -821 |
| | <u><u>2,001</u></u> |

HOUSING, COMMUNICATIONS, LICENSING AND EVENTS PORTFOLIO

Communications

| | |
|---------------------|------------|
| Employee costs | 324 |
| Other running costs | 163 |
| Capital charges | 5 |
| Income | -109 |
| | 383 |

Which includes:

Public Relations

| | |
|---------------------|------------|
| Employee costs | 324 |
| Other running costs | 110 |
| Capital charges | 5 |
| Income | -56 |
| | 383 |

Council Magazine

| | |
|---------------------|----------|
| Employee costs | 0 |
| Other running costs | 53 |
| Capital charges | 0 |
| Income | -53 |
| | 0 |

Licensing & Events

| | |
|---------------------|------------|
| Employee costs | 328 |
| Other running costs | 82 |
| Capital charges | 5 |
| Income | -425 |
| | -10 |

Which includes:

Promotion and Events

| | |
|---------------------|-----------|
| Employee costs | 47 |
| Other running costs | 10 |
| Capital charges | 0 |
| Income | 0 |
| | 57 |

Licensing

| | |
|---------------------|------------|
| Employee costs | 248 |
| Other running costs | 45 |
| Capital charges | 5 |
| Income | -393 |
| | -95 |

Market and Farmers Market

| | |
|---------------------|-----------|
| Employee costs | 33 |
| Other running costs | 27 |
| Capital charges | 0 |
| Income | -32 |
| | 28 |

ENVIRONMENT AND CHICHESTER CONTRACT SERVICES PORTFOLIO

Cabinet Member for Environment and Chichester Contract Services



Cllr Penny Plant

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Email: pplant@chichester.gov.uk

| | £000 |
|---------------------|--------------|
| Summary | |
| Employee costs | 5,880 |
| Other running costs | 4,254 |
| Capital charges | 807 |
| Income | -4,473 |
| Net Cost | 6,468 |

Area of Responsibility included in Summary:

Environmental Protection

| | |
|---------------------|--------------|
| Employee costs | 1,250 |
| Other running costs | 826 |
| Capital charges | 200 |
| Income | -1,039 |
| | 1,237 |

Which includes:

Building Control

| | |
|---------------------|-----------|
| Employee costs | 432 |
| Other running costs | 61 |
| Capital charges | 6 |
| Income | -434 |
| | 65 |

Coastal Management and Land Drainage

| | |
|---------------------|------------|
| Employee costs | 103 |
| Other running costs | 371 |
| Capital charges | 162 |
| Income | -305 |
| | 331 |

Environmental Protection

| | |
|---------------------|------------|
| Employee costs | 414 |
| Other running costs | 226 |
| Capital charges | 15 |
| Income | -150 |
| | 505 |

ENVIRONMENT AND CHICHESTER CONTRACT SERVICES PORTFOLIO

Environmental Strategy

| | |
|---------------------|------------|
| Employee costs | 221 |
| Other running costs | 106 |
| Capital charges | 2 |
| Income | -121 |
| | 208 |

Foreshores

| | |
|---------------------|------------|
| Employee costs | 80 |
| Other running costs | 62 |
| Capital charges | 15 |
| Income | -29 |
| | 128 |

Health Protection

| | |
|---------------------|------------|
| Employee costs | 552 |
| Other running costs | 133 |
| Capital charges | 10 |
| Income | -14 |
| | 681 |

Which includes:

Commercial and Public Safety

| | |
|---------------------|------------|
| Employee costs | 444 |
| Other running costs | 79 |
| Capital charges | 7 |
| Income | -14 |
| | 516 |

Emergency Planning

| | |
|---------------------|-----------|
| Employee costs | 18 |
| Other running costs | 41 |
| Capital charges | 1 |
| Income | 0 |
| | 60 |

Pest Control

| | |
|---------------------|----------|
| Employee costs | 4 |
| Other running costs | 2 |
| Capital charges | 1 |
| Income | 0 |
| | 7 |

Health and Safety

| | |
|---------------------|-----------|
| Employee costs | 86 |
| Other running costs | 11 |
| Capital charges | 1 |
| Income | 0 |
| | 98 |

ENVIRONMENT AND CHICHESTER CONTRACT SERVICES PORTFOLIO

Chichester Contract Services

| | |
|---------------------|--------------|
| Employee costs | 4,078 |
| Other running costs | 3,295 |
| Capital charges | 597 |
| Income | -3,420 |
| | 4,550 |

Which includes:

Cemeteries

| | |
|---------------------|------------|
| Employee costs | 63 |
| Other running costs | 118 |
| Capital charges | 13 |
| Income | -88 |
| | 106 |

Grounds Maintenance

| | |
|---------------------|------------|
| Employee costs | 317 |
| Other running costs | 231 |
| Capital charges | 21 |
| Income | 0 |
| | 569 |

Parks and Open Spaces

| | |
|---------------------|------------|
| Employee costs | 56 |
| Other running costs | 424 |
| Capital charges | 55 |
| Income | -394 |
| | 141 |

Street Naming and Numbering

| | |
|---------------------|-----------|
| Employee costs | 41 |
| Other running costs | 11 |
| Capital charges | 1 |
| Income | -15 |
| | 38 |

Waste, Cleansing and Recycling Services

| | |
|---------------------|--------------|
| Employee costs | 3,601 |
| Other running costs | 2,511 |
| Capital charges | 507 |
| Income | -2,923 |
| | 3,696 |

CORPORATE SERVICES PORTFOLIO

Cabinet Member for Finance, Corporate Services and Revenue and Benefits



Cllr Mr Peter Wilding

Tel: 01428 707324

Email: pwilding@chichester.gov.uk

Summary

| | £000 |
|---------------------|--------------|
| Employee costs | 5,096 |
| Other running costs | 25,873 |
| Capital charges | 405 |
| Income | -24,909 |
| Net Cost | 6,465 |

Area of Responsibility included in Summary:

Financial Services

| | |
|---------------------|--------------|
| Employee costs | 814 |
| Other running costs | 337 |
| Capital charges | 15 |
| Income | -3 |
| | 1,163 |

Which includes:

Accountancy Services

| | |
|---------------------|------------|
| Employee costs | 606 |
| Other running costs | 83 |
| Capital charges | 12 |
| Income | -1 |
| | 700 |

Audit Services

| | |
|---------------------|------------|
| Employee costs | 206 |
| Other running costs | 22 |
| Capital charges | 3 |
| Income | 0 |
| | 231 |

Strategic Financial Services

| | |
|---------------------|------------|
| Employee costs | 2 |
| Other running costs | 232 |
| Capital charges | 0 |
| Income | -2 |
| | 232 |

CORPORATE SERVICES PORTFOLIO

Legal and Democratic Services

| | |
|---------------------|--------------|
| Employee costs | 722 |
| Other running costs | 538 |
| Capital charges | 21 |
| Income | -45 |
| | <u>1,236</u> |

Which includes:

Legal Services

| | |
|---------------------|------------|
| Employee costs | 376 |
| Other running costs | 90 |
| Capital charges | 4 |
| Income | -5 |
| | <u>465</u> |

Democratic Representation

| | |
|---------------------|------------|
| Employee costs | 299 |
| Other running costs | 444 |
| Capital charges | 16 |
| Income | -40 |
| | <u>719</u> |

Procurement

| | |
|---------------------|-----------|
| Employee costs | 47 |
| Other running costs | 4 |
| Capital charges | 1 |
| Income | 0 |
| | <u>52</u> |

Business Support

| | |
|---------------------|--------------|
| Employee costs | 1,735 |
| Other running costs | 1,020 |
| Capital charges | 332 |
| Income | -282 |
| | <u>2,805</u> |

Which includes:

Elections

| | |
|---------------------|------------|
| Employee costs | 157 |
| Other running costs | 116 |
| Capital charges | 6 |
| Income | -8 |
| | <u>271</u> |

Land Charges

| | |
|---------------------|-------------|
| Employee costs | 71 |
| Other running costs | 48 |
| Capital charges | 2 |
| Income | -236 |
| | <u>-115</u> |

CORPORATE SERVICES PORTFOLIO

ICT

| | |
|---------------------|------------|
| Employee costs | 851 |
| Other running costs | 60 |
| Capital charges | 13 |
| Income | -1 |
| | 923 |

Corporate Improvement and Facilities

| | |
|---------------------|--------------|
| Employee costs | 349 |
| Other running costs | 741 |
| Capital charges | 306 |
| Income | -37 |
| | 1,359 |

Human Resources and Payroll

| | |
|---------------------|------------|
| Employee costs | 307 |
| Other running costs | 55 |
| Capital charges | 5 |
| Income | 0 |
| | 367 |

Revenues and Benefits

| | |
|---------------------|--------------|
| Employee costs | 1,825 |
| Other running costs | 23,978 |
| Capital charges | 37 |
| Income | -24,579 |
| | 1,261 |

Which includes:

Revenues Services

| | |
|---------------------|------------|
| Employee costs | 917 |
| Other running costs | 212 |
| Capital charges | 20 |
| Income | -552 |
| | 597 |

Housing Benefits

| | |
|---------------------|------------|
| Employee costs | 290 |
| Other running costs | 23,652 |
| Capital charges | 8 |
| Income | -24,020 |
| | -70 |

Customer Services

| | |
|---------------------|------------|
| Employee costs | 618 |
| Other running costs | 114 |
| Capital charges | 9 |
| Income | -7 |
| | 734 |



Capital and Projects Programme 2020-21

| Capital Financing Summary | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Total |
|--|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|
| | £ | £ | £ | £ | £ | £ | |
| Capital Receipts | | | | | | | |
| Capital Receipts Reserve | 2,663,500 | 1,337,200 | 500,000 | 550,000 | 0 | 0 | 5,050,700 |
| Revenue Financing | | | | | | | |
| Capital Projects Fund / General Revenue Reserves | 58,100 | 0 | 930,100 | 18,100 | 50,400 | 35,900 | 1,092,600 |
| Asset Replacement Fund | 3,272,500 | 2,747,300 | 1,457,000 | 1,435,900 | 1,492,000 | 1,355,700 | 11,760,400 |
| Committed Payments (S106) | 590,600 | 76,300 | 0 | 0 | 0 | 0 | 666,900 |
| New Homes Bonus | 448,600 | 2,216,300 | 3,338,500 | 262,200 | 250,000 | 250,000 | 6,765,600 |
| Housing Investment Reserve | 239,600 | 0 | 0 | 0 | 0 | 0 | 239,600 |
| Corporate Plan Projects 2019-20 Reserve | 206,000 | 0 | 0 | 0 | 0 | 0 | 206,000 |
| Grants and Concessions reserve - funded from Reserve | 98,300 | 69,500 | 0 | 0 | 0 | 0 | 167,800 |
| Community Infrastructure Levy | 60,500 | 6,950,000 | 6,825,000 | 50,000 | 425,000 | 0 | 14,310,500 |
| Chichester Warm Homes Reserve | 6,800 | 16,900 | 16,900 | 16,900 | 16,900 | 18,300 | 92,700 |
| Building Repairs Reserve | 4,900 | 0 | 0 | 0 | 0 | 0 | 4,900 |
| General Fund Balance | 1,016,100 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 | 1,891,100 |
| | | | | | | | |
| Capital Grants | | | | | | | |
| Disabled Facilities Grants | 1,933,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 8,683,000 |
| Brexit Emergency Funding Grant | 17,500 | 0 | 0 | 0 | 0 | 0 | 17,500 |
| Environment Agency coastal grants | 174,900 | 280,000 | 0 | 0 | 0 | 0 | 454,900 |
| LEP Grant | 2,165,400 | 0 | 0 | 0 | 0 | 0 | 2,165,400 |
| Community Led Housing Grant | 623,700 | 370,000 | 310,000 | 0 | 0 | 0 | 1,303,700 |
| | | | | | | | |
| Other Contributions | | | | | | | |
| | 238,800 | 62,300 | 0 | 0 | 0 | 0 | 301,100 |
| | | | | | | | |
| Funding Totals | 13,818,800 | 15,650,800 | 14,902,500 | 3,858,100 | 3,759,300 | 3,184,900 | 55,174,400 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total |
|--|------------------|------------------|------------------|---------------|--------------|--------------|-------------------|
| GROWTH, PLACE & REGENERATION | | | | | | | |
| Place | | | | | | | |
| Electric Vehicle Charging Points | 139,700 | 0 | 0 | 0 | 0 | 0 | 139,700 |
| North Street Midhurst Car Park re-surfacing | 55,000 | 0 | 0 | 0 | 0 | 0 | 55,000 |
| Review of Chichester District Parking Strategy | 35,000 | 0 | 0 | 0 | 0 | 0 | 35,000 |
| Place Total | 229,700 | 0 | 0 | 0 | 0 | 0 | 229,700 |
| Property & Growth | | | | | | | |
| Plot 21, Terminus Road - Development | 96,400 | 0 | 0 | 0 | 0 | 0 | 96,400 |
| New Employment Land - Retaining & attracting businesses | 34,200 | 0 | 0 | 0 | 0 | 0 | 34,200 |
| St. James Industrial Estate - Future development options | 3,000 | 0 | 0 | 0 | 0 | 0 | 3,000 |
| St. James Industrial Estate - Refurbishment and Replacement of Units | 158,000 | 1,966,300 | 3,088,500 | 12,200 | 0 | 0 | 5,225,000 |
| East Beach Selsey Land/Asset Opportunities | 25,000 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| E Wittering/Bracklesham Vision | 27,000 | 0 | 0 | 0 | 0 | 0 | 27,000 |
| Emerging Vision Projects | 79,000 | 0 | 0 | 0 | 0 | 0 | 79,000 |
| Property & Growth Total | 422,600 | 1,966,300 | 3,088,500 | 12,200 | 0 | 0 | 5,489,600 |
| Regeneration | | | | | | | |
| Southern Gateway - Initial implementation | 64,900 | 0 | 0 | 0 | 0 | 0 | 64,900 |
| Southern Gateway - LEP Funding Projects | 4,285,200 | 0 | 0 | 0 | 0 | 0 | 4,285,200 |
| Regeneration Total | 4,350,100 | 0 | 0 | 0 | 0 | 0 | 4,350,100 |
| GROWTH, PLACE & REGENERATION TOTAL | 5,002,400 | 1,966,300 | 3,088,500 | 12,200 | 0 | 0 | 10,069,400 |
| COMMUNITY SERVICES & CULTURE | | | | | | | |
| Culture | | | | | | | |
| Petworth Leisure Facilities (Skatepark) | 70,000 | 0 | 0 | 0 | 0 | 0 | 70,000 |
| The Novium Museum - Option appraisal | 14,400 | 0 | 0 | 0 | 0 | 0 | 14,400 |
| The Novium Museum - Market testing | 20,500 | 0 | 0 | 0 | 0 | 0 | 20,500 |
| The Novium Museum - Business Plan Feasibility Work | 30,000 | 0 | 0 | 0 | 0 | 0 | 30,000 |
| Culture Total | 134,900 | 0 | 0 | 0 | 0 | 0 | 134,900 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Communities | | | | | | | |
| New Homes Bonus Scheme 2015-16 Allocation | 8,500 | 0 | 0 | 0 | 0 | 0 | 8,500 |
| New Homes Bonus Scheme 2016-17 Allocation | 4,100 | 0 | 0 | 0 | 0 | 0 | 4,100 |
| New Homes Bonus Scheme 2017-18 Allocation | 3,500 | 0 | 0 | 0 | 0 | 0 | 3,500 |
| New Homes Bonus Scheme 2018-19 Allocation | 29,000 | 0 | 0 | 0 | 0 | 0 | 29,000 |
| New Homes Bonus Scheme 2019-20 Allocation | 245,500 | 0 | 0 | 0 | 0 | 0 | 245,500 |
| New Homes Bonus Scheme 2020-21 Allocation | 0 | 250,000 | 0 | 0 | 0 | 0 | 250,000 |
| New Homes Bonus Scheme 2021-25 Allocation | 0 | 0 | 250,000 | 250,000 | 250,000 | 250,000 | 1,000,000 |
| Grants Portal 2016-17 Allocation | 3,000 | 0 | 0 | 0 | 0 | 0 | 3,000 |
| Grants Portal 2017-18 Allocation | 8,800 | 0 | 0 | 0 | 0 | 0 | 8,800 |
| Grants Portal 2018-19 Allocation | 86,500 | 0 | 0 | 0 | 0 | 0 | 86,500 |
| Grants Portal 2019-20 Allocation | 175,000 | 0 | 0 | 0 | 0 | 0 | 175,000 |
| Grants Portal 2020-21 Allocation | 0 | 175,000 | 0 | 0 | 0 | 0 | 175,000 |
| Grants Portal 2021-25 Allocation | 0 | 0 | 175,000 | 175,000 | 175,000 | 175,000 | 700,000 |
| Gypsies and Travellers Transit Site | 80,300 | 0 | 0 | 0 | 0 | 0 | 80,300 |
| Communities Total | 644,200 | 425,000 | 425,000 | 425,000 | 425,000 | 425,000 | 2,769,200 |
| COMMUNITY SERVICES & CULTURE TOTAL | 779,100 | 425,000 | 425,000 | 425,000 | 425,000 | 425,000 | 2,904,100 |
| HOUSING, COMMUNICATIONS, LICENSING & EVENTS | | | | | | | |
| Housing | | | | | | | |
| Discretionary Private Sector Grants and Loans | 137,800 | 116,800 | 102,500 | 0 | 0 | 0 | 356,300 |
| Disabled Facilities Grants | 1,933,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 1,350,000 | 8,683,000 |
| DFG County Adaptations Manager | 100,000 | 62,300 | 0 | 0 | 0 | 0 | 162,300 |
| Rural Housing Fund | 0 | 200,000 | 259,500 | 0 | 0 | 0 | 459,500 |
| Rural Enabler Post (Homefinder scheme) | 600 | 0 | 0 | 0 | 0 | 0 | 600 |
| Affordable Housing Capital Fund | 0 | 1,000,000 | 1,000,000 | 500,000 | 0 | 0 | 2,500,000 |
| Affordable Housing Grant Fund | 590,000 | 76,300 | 0 | 0 | 0 | 0 | 666,300 |
| Home Extensions & Conversions (for Hyde properties) | 35,000 | 35,000 | 35,000 | 35,000 | 17,300 | 0 | 157,300 |
| Homeless Prevention Fund - Mortgage Rescue | 34,100 | 8,500 | 0 | 0 | 0 | 0 | 42,600 |
| Under-Occupied Properties | 12,500 | 13,300 | 0 | 0 | 0 | 0 | 25,800 |
| Chichester Warm Homes Initiative | 20,000 | 50,000 | 50,000 | 50,000 | 50,000 | 54,200 | 274,200 |
| 22 Freeland Close - Purchase | 17,600 | 0 | 0 | 0 | 0 | 0 | 17,600 |
| 22 Freeland Close - Design Work/Planning Approval | 102,000 | 0 | 0 | 0 | 0 | 0 | 102,000 |
| 22 Freeland Close - Relocation of Gas Main | 120,000 | 0 | 0 | 0 | 0 | 0 | 120,000 |
| Community Led Housing | 623,700 | 370,000 | 310,000 | 0 | 0 | 0 | 1,303,700 |
| Housing Total | 3,725,500 | 3,282,200 | 3,107,000 | 1,935,000 | 1,417,300 | 1,404,200 | 14,871,200 |
| IT & Facilities | | | | | | | |
| CRM Stage 2 Rollout | 16,800 | 0 | 0 | 0 | 0 | 0 | 16,800 |
| CRM Stage 2 – Temp IT Analyst Post | 29,100 | 0 | 0 | 0 | 0 | 0 | 29,100 |
| IT & Facilities Total | 45,900 | 0 | 0 | 0 | 0 | 0 | 45,900 |
| HOUSING, COMMUNICATIONS, LICENSING & EVENTS TOTAL | 3,771,400 | 3,282,200 | 3,107,000 | 1,935,000 | 1,417,300 | 1,404,200 | 14,917,100 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total |
|--|----------------|------------------|------------------|---------------|----------------|--------------|-------------------|
| FINANCE, CORPORATE SERVICES & REVENUES & BENEFITS | | | | | | | |
| Business Support | | | | | | | |
| NWOW - Electronic Document Mgt | 4,500 | 0 | 0 | 0 | 0 | 0 | 4,500 |
| Pay Policy - Comprehensive Review | 8,100 | 0 | 0 | 0 | 0 | 0 | 8,100 |
| Business Support Total | 12,600 | 0 | 0 | 0 | 0 | 0 | 12,600 |
| Financial Services | | | | | | | |
| Income System Upgrade | 15,400 | 0 | 0 | 0 | 0 | 0 | 15,400 |
| Financial Services Total | 15,400 | 0 | 0 | 0 | 0 | 0 | 15,400 |
| FINANCE, CORPORATE SERVICES & REVENUES & BENEFITS TOTAL | 28,000 | 0 | 0 | 0 | 0 | 0 | 28,000 |
| PLANNING SERVICES | | | | | | | |
| Planning Policy | | | | | | | |
| Tangmere CPO | 135,100 | 0 | 0 | 0 | 0 | 0 | 135,100 |
| Local Plan Review | 272,700 | 0 | 0 | 0 | 0 | 0 | 272,700 |
| Planning Policy Total | 407,800 | 0 | 0 | 0 | 0 | 0 | 407,800 |
| Community Infrastructure Levy | | | | | | | |
| CIL - Enhancements to Lavant Biodiversity Opportunity Area (project 194) | 500 | 0 | 0 | 0 | 0 | 0 | 500 |
| CIL - School access improvements - Chichester (project 657) | 0 | 0 | 50,000 | 0 | 0 | 0 | 50,000 |
| CIL - School access improvements - Bourne (project 660) | 0 | 0 | 50,000 | 0 | 0 | 0 | 50,000 |
| CIL - School places E-W Chichester (project 330) | 0 | 0 | 1,200,000 | 0 | 0 | 0 | 1,200,000 |
| CIL - School places Bourne's (project 331) | 0 | 0 | 1,200,000 | 0 | 0 | 0 | 1,200,000 |
| CIL - School places Manhood Peninsula (project 332) | 0 | 1,200,000 | 0 | 0 | 0 | 0 | 1,200,000 |
| CIL - Sustainable transport corridor - city centre to Portfield (project 656) | 0 | 0 | 25,000 | 50,000 | 425,000 | 0 | 500,000 |
| CIL - Sustainable transport corridor - city centre to Westhampnett (project 353) | 0 | 500,000 | 0 | 0 | 0 | 0 | 500,000 |
| CIL - Medical Centre West of Chichester (project 398) | 0 | 1,750,000 | 0 | 0 | 0 | 0 | 1,750,000 |
| CIL - School access improvements - Manhood (project 659) | 0 | 0 | 50,000 | 0 | 0 | 0 | 50,000 |
| CIL - RTPI screens at Chichester City (project 355) | 60,000 | 0 | 0 | 0 | 0 | 0 | 120,000 |
| CIL - A286 Birdham/B2201 (Selsey Road Roundabout) Junction Improvement (project 349) | 0 | 440,000 | 0 | 0 | 0 | 0 | 440,000 |
| CIL - Area-wide Parking Management West Chichester (project 665) | 0 | 0 | 250,000 | 0 | 0 | 0 | 250,000 |
| CIL - Area-wide Parking Management Chichester City (project 665) | 0 | 500,000 | 0 | 0 | 0 | 0 | 500,000 |
| CIL - Rebuilding and expansion of Westhampnett Waste Transfer Station/Household Waste Recycling St. (Project IBP/740) | 0 | 2,500,000 | 0 | 0 | 0 | 0 | 2,500,000 |
| CIL - Southern Gateway provision of bus/rail interchange & improvements to traffic & pedestrian circulation. (Project IBP/206) | 0 | 0 | 3,000,000 | 0 | 0 | 0 | 3,000,000 |
| CIL - Southern Gateway public realm with new city square. (IBP/775) | 0 | 0 | 1,000,000 | 0 | 0 | 0 | 1,000,000 |
| Planning Policy Total | 60,500 | 6,950,000 | 6,825,000 | 50,000 | 425,000 | 0 | 14,310,500 |
| PLANNING SERVICES TOTAL | 468,300 | 6,950,000 | 6,825,000 | 50,000 | 425,000 | 0 | 14,718,300 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total |
|--|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|
| ENVIRONMENT & CCS | | | | | | | |
| Environmental Protection | | | | | | | |
| Beach Management Plan Works (Selsey, Bracklesham and East Wittering) | 174,900 | 280,000 | 0 | 0 | 0 | 0 | 454,900 |
| Environmental Protection Total | 174,900 | 280,000 | 0 | 0 | 0 | 0 | 454,900 |
| Contract Services (CCS) | | | | | | | |
| Priority Park - Various works to existing buildings & Coade stone statue | 53,500 | 0 | 0 | 0 | 0 | 0 | 53,500 |
| Priority Park Phase 2 Options Appraisal | 10,000 | 0 | 0 | 0 | 0 | 0 | 10,000 |
| Closed cemeteries - Essential structural repairs | 65,000 | 0 | 0 | 0 | 0 | 0 | 65,000 |
| CCS Vehicle Wash Project | 193,700 | 0 | 0 | 0 | 0 | 0 | 193,700 |
| Contract Services (CCS) Total | 322,200 | 0 | 0 | 0 | 0 | 0 | 322,200 |
| ENVIRONMENT & CCS TOTAL | 497,100 | 280,000 | 0 | 0 | 0 | 0 | 777,100 |
| PROGRAMME OF CAPITAL PROJECTS TOTAL | 10,546,300 | 12,903,500 | 13,445,500 | 2,422,200 | 2,267,300 | 1,829,200 | 43,414,000 |
| Asset Replacement Programme | 3,272,500 | 2,747,300 | 1,457,000 | 1,435,900 | 1,492,000 | 1,355,700 | 11,760,400 |
| Asset Replacement Programme Total | 3,272,500 | 2,747,300 | 1,457,000 | 1,435,900 | 1,492,000 | 1,355,700 | 11,760,400 |
| TOTAL CAPITAL SPEND | 13,818,800 | 15,650,800 | 14,902,500 | 3,858,100 | 3,759,300 | 3,184,900 | 55,174,400 |



Asset Replacement Projects Programme 2020-21

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|--|---------------|---------------|--------------|---------------|--------------|--------------|----------------|
| GROWTH, PLACE & REGENERATION | | | | | | | |
| <u>Property</u> | | | | | | | |
| Bourne LC - Auto Doors Replacement | 0 | 0 | 0 | 16,000 | 0 | 0 | 16,000 |
| Bourne LC - Electrical Distribution Boards & Cables | 0 | 0 | 0 | 8,000 | 0 | 0 | 8,000 |
| Novium - Carpets | 0 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| Novium - Flat roof repairs | 8,000 | 0 | 0 | 0 | 0 | 0 | 8,000 |
| Novium - Internal floors & ceilings | 0 | 13,000 | 0 | 0 | 0 | 0 | 13,000 |
| Novium - Mechanical pumps | 0 | 6,000 | 0 | 0 | 0 | 0 | 6,000 |
| Novium - Resin Floor | 0 | 0 | 0 | 3,000 | 0 | 0 | 3,000 |
| Westgate LC - Auto & manual door replacement | 30,000 | 0 | 0 | 0 | 0 | 0 | 30,000 |
| Westgate LC - New pool heat exchangers | 7,500 | 0 | 0 | 0 | 0 | 0 | 7,500 |
| Westgate LC - Pool hall refurbishment | 0 | 50,000 | 0 | 0 | 0 | 0 | 50,000 |
| Westgate LC - Replace curtain walling (Southern fire escape) | 14,000 | 0 | 0 | 0 | 0 | 0 | 14,000 |
| Property Total | 59,500 | 69,000 | 0 | 30,000 | 0 | 0 | 158,500 |

| Place | Project | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | Total |
|---|---------|----------------|----------------|----------------|---------------|----------------|----------------|------------------|
| | | £ | £ | £ | £ | £ | £ | £ |
| ADC Car Park - Bridge Repairs | | 0 | 0 | 0 | 5,000 | 0 | 0 | 5,000 |
| ADC Car Park - Lighting replacement | | 22,100 | 15,900 | 0 | 0 | 0 | 0 | 38,000 |
| ADC Car Park - Pump replacement | | 30,000 | 0 | 0 | 0 | 0 | 0 | 30,000 |
| ADC Car Park Year 3 - Essential Upgrade Vehicle Perimeter Barriers | | 76,700 | 0 | 0 | 0 | 0 | 0 | 76,700 |
| ADC Car Park Year 3 - Upgrade Pedestrian Railings | | 3,300 | 0 | 0 | 0 | 0 | 0 | 3,300 |
| ADC Car Park Years 1 & 2 - Structural Replacement | | 80,000 | 0 | 0 | 0 | 0 | 0 | 80,000 |
| Back Lane Petworth | | 0 | 0 | 0 | 0 | 0 | 150,000 | 150,000 |
| Bosham Public Convenience | | 0 | 120,000 | 0 | 0 | 0 | 0 | 120,000 |
| Bracklesham Bay Public Convenience | | 325,000 | 0 | 0 | 0 | 0 | 0 | 325,000 |
| East Beach Selsey Public Convenience | | 0 | 150,000 | 0 | 0 | 0 | 0 | 150,000 |
| Electrical Distribution Boards | | 0 | 6,500 | 0 | 0 | 0 | 0 | 6,500 |
| Itchenor Public Convenience | | 0 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |
| Lifeboat Station Public Convenience | | 0 | 0 | 0 | 0 | 150,000 | 0 | 150,000 |
| Marine Drive East Wittering Public Convenience | | 12,000 | 0 | 0 | 0 | 0 | 0 | 12,000 |
| Market Road Chichester Public Convenience | | 0 | 0 | 150,000 | 0 | 0 | 0 | 150,000 |
| Northgate Chichester Public Convenience | | 120,000 | 0 | 0 | 0 | 0 | 0 | 120,000 |
| Pay and Display machines | | 0 | 0 | 0 | 0 | 200,000 | 0 | 200,000 |
| Pay on Foot | | 0 | 0 | 0 | 0 | 0 | 90,000 | 90,000 |
| Priory Park Public Convenience | | 0 | 150,000 | 0 | 0 | 0 | 8,000 | 158,000 |
| Public conveniences - Wallgate Replacement programme | | 55,000 | 70,000 | 0 | 0 | 0 | 0 | 125,000 |
| Resurfacing and re-lining of car parks | | 50,000 | 0 | 50,000 | 0 | 50,000 | 0 | 150,000 |
| Tower Street Chichester Public Convenience (nb: £65,000 funded from general reserves) | | 144,300 | 0 | 0 | 0 | 0 | 0 | 144,300 |
| Place Total | | 918,400 | 512,400 | 220,000 | 5,000 | 400,000 | 248,000 | 2,303,800 |
| GROWTH, PLACE & REGENERATION TOTAL | | 977,900 | 581,400 | 220,000 | 35,000 | 400,000 | 248,000 | 2,462,300 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|---|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| COMMUNITY SERVICES & CULTURE | | | | | | | |
| Community Services | | | | | | | |
| Careline - Air conditioning | 5,500 | 0 | 0 | 0 | 0 | 0 | 5,500 |
| Careline - Floor finishes | 5,000 | 0 | 0 | 0 | 0 | 0 | 5,000 |
| Careline - Internal Space Reconfiguration/Refurbishment | 8,000 | 0 | 0 | 0 | 0 | 0 | 8,000 |
| Careline - UPS System - Batteries | 6,000 | 0 | 0 | 0 | 0 | 0 | 6,000 |
| CCTV - Camera Replacement Costs | 16,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 141,000 |
| Oaklands Park - Power wash / relime | 0 | 3,000 | 0 | 0 | 0 | 0 | 3,000 |
| Oaklands Park - Resurface Tennis Courts | 0 | 0 | 33,000 | 0 | 0 | 0 | 33,000 |
| Community Services Total | 40,500 | 28,000 | 58,000 | 25,000 | 25,000 | 25,000 | 201,500 |
| COMMUNITY SERVICES & CULTURE TOTAL | 40,500 | 28,000 | 58,000 | 25,000 | 25,000 | 25,000 | 201,500 |

| | | | | | | | |
|--|---------------|----------|----------|---------------|---------------|---------------|----------------|
| HOUSING, COMMUNICATIONS, LICENSING & EVENTS | | | | | | | |
| Housing | | | | | | | |
| Westward House - CCTV | 0 | 0 | 0 | 0 | 0 | 13,000 | 13,000 |
| Westward House - Electrical Distribution Boards & Cables | 0 | 0 | 0 | 0 | 10,000 | 0 | 10,000 |
| Westward House - External Pavings | 0 | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| Westward House - Fire alarm & emergency lighting | 0 | 0 | 0 | 35,000 | 0 | 0 | 35,000 |
| Westward House - Floor Finishes | 0 | 0 | 0 | 15,000 | 15,000 | 15,000 | 45,000 |
| Westward House - Internal Finishes | 0 | 0 | 0 | 12,000 | 12,000 | 12,000 | 36,000 |
| Westward House - Laundry equipment | 5,000 | 0 | 0 | 0 | 0 | 5,000 | 10,000 |
| Westward House - Replacement Thermostatic Mixer Values | 15,000 | 0 | 0 | 0 | 0 | 0 | 15,000 |
| Housing Total | 20,000 | 0 | 0 | 62,000 | 42,000 | 45,000 | 169,000 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| IT & Facilities | | | | | | | |
| 2019/20 Project Split | | | | | | | |
| Website Gateway Infrastructure | 19,800 | 0 | 0 | 0 | 0 | 0 | 19,800 |
| Replacement (SUN Server) | 66,000 | 0 | 0 | 0 | 0 | 0 | 66,000 |
| SAN Infrastructure | 55,000 | 0 | 0 | 0 | 0 | 0 | 55,000 |
| Corporate Backups | 20,000 | 0 | 0 | 0 | 0 | 0 | 20,000 |
| Oracle Server Rationalisation | 63,200 | 0 | 0 | 0 | 0 | 0 | 63,200 |
| CMS Upgrade | 20,000 | 0 | 0 | 0 | 0 | 0 | 20,000 |
| VM Ware (Virtual Servers) | 30,500 | 0 | 0 | 0 | 0 | 0 | 30,500 |
| GIS Intranet Mapping Licences | 10,000 | 0 | 0 | 0 | 0 | 0 | 10,000 |
| Exchange Upgrade | 15,000 | 0 | 0 | 0 | 0 | 0 | 15,000 |
| Network Monitoring Equipment | 10,000 | 0 | 0 | 0 | 0 | 0 | 10,000 |
| Exchange 2010 | 5,100 | 0 | 0 | 0 | 0 | 0 | 5,100 |
| NWOW - General desktop replacements | 53,900 | 0 | 0 | 0 | 0 | 0 | 53,900 |
| Upgrade Active Directory | 25,000 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| Lagan Upgrade | 25,000 | 0 | 0 | 0 | 0 | 0 | 25,000 |
| Software Application Upgrades | 40,000 | 0 | 0 | 0 | 0 | 0 | 40,000 |
| Telephone System | 130,000 | 0 | 0 | 0 | 0 | 0 | 130,000 |
| Scanners | 2,100 | 0 | 0 | 0 | 0 | 0 | 2,100 |
| Website Enhancements - Channel Shift | 11,400 | 0 | 0 | 0 | 0 | 0 | 11,400 |
| PSN / Compliance - Health Checks | 17,500 | 0 | 0 | 0 | 0 | 0 | 17,500 |
| Business Continuity Infrastructure | 129,800 | 0 | 0 | 0 | 0 | 0 | 129,800 |
| Printers | 15,000 | 0 | 0 | 0 | 0 | 0 | 15,000 |
| Citrix Upgrade | 18,700 | 0 | 0 | 0 | 0 | 0 | 18,700 |
| 2020/21 Project Split | | | | | | | |
| Server - Core | | | | | | | |
| VMWare Hosts | 0 | 0 | 0 | 0 | 0 | 20,100 | 20,100 |
| Dell Hosts | 0 | 0 | 0 | 0 | 0 | 6,400 | 6,400 |
| R640 Server | 0 | 0 | 0 | 0 | 0 | 56,300 | 56,300 |
| Oracle | 0 | 0 | 0 | 0 | 0 | 76,200 | 76,200 |
| Server - Storage | | | | | | | |
| Net App San | 0 | 0 | 0 | 0 | 0 | 53,800 | 53,800 |
| Net App San (DR) | 0 | 0 | 0 | 0 | 0 | 44,700 | 44,700 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|--|----------------|----------------|---------------|----------------|----------------|----------------|------------------|
| Cisco Switch | 0 | 0 | 0 | 0 | 0 | 53,700 | 53,700 |
| CITRIX | 0 | 15,000 | 0 | 0 | 0 | 0 | 15,000 |
| Network - Core | | | | | | | |
| EPH Main Server Core | 0 | 0 | 0 | 0 | 0 | 64,200 | 64,200 |
| DR Server Core | 0 | 0 | 0 | 0 | 0 | 29,800 | 29,800 |
| EPH User Domain Core | 0 | 30,000 | 0 | 0 | 0 | 0 | 30,000 |
| VPN / WIFI | 0 | 50,000 | 0 | 0 | 0 | 0 | 50,000 |
| Network - User | | | | | | | |
| General Access Switches (ALS) | 0 | 120,000 | 0 | 0 | 0 | 0 | 120,000 |
| Applications - Upgrades | | | | | | | |
| Software Upgrades | 0 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 40,000 |
| LAGAN | 0 | 0 | 0 | 0 | 0 | 25,000 | 25,000 |
| Clientside | | | | | | | |
| Contact Centre Switch | 0 | 0 | 0 | 0 | 25,000 | 0 | 25,000 |
| PSN | 0 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 35,000 |
| NWOW-Laptops | 0 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 225,000 |
| IT & Facilities Total | 783,000 | 275,000 | 60,000 | 60,000 | 85,000 | 490,200 | 1,753,200 |
| Licensing & Events | | | | | | | |
| Farmers Market Canopies | 0 | 10,400 | 10,000 | 10,000 | 0 | 0 | 30,400 |
| Licensing & Events Total | 0 | 10,400 | 10,000 | 10,000 | 0 | 0 | 30,400 |
| HOUSING, COMMUNICATIONS, LICENSING & EVENTS TOTAL | 803,000 | 285,400 | 70,000 | 132,000 | 127,000 | 535,200 | 1,952,600 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|---|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| FINANCE, CORPORATE SERVICES, REVENUES & BENEFITS | | | | | | | |
| Financial Services | | | | | | | |
| Software Asset Replacement | 0 | 0 | 0 | 120,000 | 0 | 0 | 120,000 |
| Income System Upgrade | 0 | 17,500 | 0 | 17,500 | 0 | 17,500 | 52,500 |
| Financial Services Total | 0 | 17,500 | 0 | 137,500 | 0 | 17,500 | 172,500 |
| EPH | | | | | | | |
| Breakout area TV's | 0 | 0 | 5,000 | 0 | 5,000 | 0 | 10,000 |
| EPH - Access / door control system | 19,200 | 0 | 0 | 0 | 0 | 0 | 19,200 |
| EPH - AHU Plant Refurbishment / Replacement | 0 | 0 | 0 | 15,000 | 0 | 0 | 15,000 |
| EPH - Auto door replacement | 0 | 0 | 0 | 0 | 0 | 12,000 | 12,000 |
| EPH - CCTV Replacement | 2,000 | 0 | 0 | 0 | 0 | 10,000 | 12,000 |
| EPH - Electricity distribution boards & cables | 20,000 | 20,000 | 0 | 0 | 0 | 0 | 40,000 |
| EPH - Fire alarm & electric lighting | 0 | 10,000 | 0 | 0 | 0 | 50,000 | 60,000 |
| EPH - Flat roof repairs | 0 | 0 | 0 | 0 | 15,000 | 0 | 15,000 |
| EPH - Floor Finishes | 0 | 10,000 | 0 | 0 | 0 | 0 | 10,000 |
| EPH - Folding machine - Planning now | 10,000 | 0 | 0 | 0 | 0 | 10,000 | 20,000 |
| EPH - Lift Replacement | 0 | 0 | 0 | 14,400 | 0 | 0 | 14,400 |
| EPH - Members Kitchen Refurbishment | 12,000 | 0 | 0 | 0 | 0 | 0 | 12,000 |
| EPH - New Boiler Plant | 0 | 0 | 0 | 50,000 | 0 | 0 | 50,000 |
| EPH - Office Furniture & Chairs | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 60,000 |
| EPH - UPS batteries | 0 | 12,000 | 12,000 | 0 | 0 | 0 | 24,000 |
| NWOW - EPH Air Conditioning Replacement | 4,000 | 0 | 0 | 4,000 | 0 | 0 | 8,000 |
| NWOW - EPH Internal Floors & Ceilings | 30,000 | 10,000 | 0 | 0 | 0 | 0 | 40,000 |
| NWOW - EPH Lighting Replacement | 11,000 | 0 | 0 | 0 | 10,000 | 0 | 21,000 |
| UPS full replacement (cabinets & batteries) | 0 | 0 | 0 | 0 | 0 | 24,000 | 24,000 |
| Financial Services Total | 118,200 | 72,000 | 27,000 | 93,400 | 40,000 | 116,000 | 466,600 |
| FINANCE, CORPORATE SERVICES, REVENUES & BENEFITS TOTAL | 118,200 | 89,500 | 27,000 | 230,900 | 40,000 | 133,500 | 639,100 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|---|--------------|--------------|--------------|---------------|---------------|--------------|---------------|
| ENVIRONMENT SERVICES & CCS | | | | | | | |
| Environmental Protection | | | | | | | |
| AC Unit for Air Quality Monitoring Station (Orchard Street) | 0 | 0 | 2,000 | 0 | 0 | 0 | 2,000 |
| AC Unit for Air Quality Monitoring Station (Stockbridge) | 3,000 | 0 | 0 | 0 | 0 | 2,000 | 5,000 |
| Air Quality Monitoring Station Westhampnett Road | 0 | 0 | 0 | 0 | 2,000 | 0 | 2,000 |
| Foreshores - Boats/Ribs | 0 | 0 | 0 | 0 | 23,000 | 0 | 23,000 |
| Foreshores - Engines | 0 | 0 | 0 | 0 | 24,000 | 0 | 24,000 |
| Foreshores - Floatation suits | 0 | 0 | 0 | 2,000 | 0 | 0 | 2,000 |
| Foreshores - Trailers | 0 | 0 | 0 | 0 | 4,000 | 0 | 4,000 |
| Ozone Analyser - Lodsworth | 0 | 0 | 0 | 0 | 10,000 | 0 | 10,000 |
| Photometer | 0 | 0 | 1,000 | 0 | 0 | 0 | 1,000 |
| PM10 TEOM Analyser | 0 | 0 | 0 | 10,000 | 0 | 0 | 10,000 |
| Purchase of equipment | 5,000 | 0 | 0 | 0 | 0 | 0 | 5,000 |
| Sound level meter | 0 | 0 | 0 | 10,000 | 0 | 0 | 10,000 |
| Environmental Protection Total | 8,000 | 0 | 3,000 | 22,000 | 63,000 | 2,000 | 98,000 |
| Chichester Contract Services | | | | | | | |
| CCS / Non CCS Vehicle Replacement | 335,000 | 1,271,000 | 1,057,000 | 945,000 | 514,000 | 350,000 | 4,472,000 |
| East Beach, dredge | 0 | 0 | 0 | 0 | 15,000 | 0 | 15,000 |
| MUGA resurface - Florence Road | 0 | 25,000 | 0 | 0 | 0 | 0 | 25,000 |
| MUGA resurface - Whyke | 0 | 15,000 | 0 | 0 | 0 | 0 | 15,000 |
| Paths | 0 | 0 | 0 | 0 | 0 | 20,000 | 20,000 |
| Playground Replacement - Florence Park | 0 | 0 | 0 | 0 | 120,000 | 0 | 120,000 |
| Playground Replacement - Oaklands | 0 | 70,000 | 0 | 0 | 0 | 0 | 70,000 |
| Playground Replacement - Priory Park | 0 | 0 | 0 | 0 | 100,000 | 0 | 100,000 |
| Playground Replacement - Sherborne | 0 | 80,000 | 0 | 0 | 0 | 0 | 80,000 |
| Playground Replacement - Whyke Oval | 0 | 0 | 0 | 0 | 70,000 | 0 | 70,000 |
| Priory Park (White) Timber Pavilion | 0 | 150,000 | 0 | 0 | 0 | 0 | 150,000 |
| Priory Park Former Cricket Pavilion | 0 | 150,000 | 0 | 0 | 0 | 0 | 150,000 |
| Sandbags | 10,000 | 0 | 0 | 0 | 0 | 10,000 | 20,000 |
| Soil Reliever - Plant Ref: CCS 164 | 0 | 0 | 0 | 0 | 16,000 | 0 | 16,000 |
| South Pond - essential dredging works | 0 | 0 | 20,000 | 0 | 0 | 0 | 20,000 |

| Project | 2019/20 £ | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total £ |
|--|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Vehicle workshops - 4 post vehicle lift | 0 | 0 | 0 | 7,000 | 0 | 0 | 7,000 |
| Vehicle Workshops - Equipment Replacement | 7,900 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 17,900 |
| Vehicle workshops - Roller brake tester | 0 | 0 | 0 | 30,000 | 0 | 0 | 30,000 |
| Vehicle workshops - Smoke / emissions tester | 5,000 | 0 | 0 | 0 | 0 | 0 | 5,000 |
| Vehicle workshops - Vehicle pit covers | 0 | 0 | 0 | 7,000 | 0 | 0 | 7,000 |
| Vehicle workshops - Vehicle pit jacks | 6,000 | 0 | 0 | 0 | 0 | 0 | 6,000 |
| Westhampnett Depot - Central Service Bays doors | 13,000 | 0 | 0 | 0 | 0 | 0 | 13,000 |
| Westhampnett Depot - General Resurfacing | 850,000 | 0 | 0 | 0 | 0 | 0 | 850,000 |
| Westhampnett Depot - Refurbishment | 21,000 | 0 | 0 | 0 | 0 | 0 | 21,000 |
| Westhampnett Depot - Refurbishment of Offices | 0 | 0 | 0 | 0 | 0 | 30,000 | 30,000 |
| Westhampnett Depot - Replace standby generator | 32,000 | 0 | 0 | 0 | 0 | 0 | 32,000 |
| Westhampnett Depot - Replacement Fuel Storage Facility (4 week supply) | 35,000 | 0 | 0 | 0 | 0 | 0 | 35,000 |
| Westhampnett Depot - Workshop fire separating wall | 10,000 | 0 | 0 | 0 | 0 | 0 | 10,000 |
| Chichester Contract Services Total | 1,324,900 | 1,763,000 | 1,079,000 | 991,000 | 837,000 | 412,000 | 6,406,900 |
| ENVIRONMENT SERVICES & CCS TOTAL | 1,332,900 | 1,763,000 | 1,082,000 | 1,013,000 | 900,000 | 414,000 | 6,504,900 |
| Total Asset Replacement Fund | 3,272,500 | 2,747,300 | 1,457,000 | 1,435,900 | 1,492,000 | 1,355,700 | 11,760,400 |

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Council Resource Position - December 2019 (Projected)

Period 2019/20 to 2024/25

| | £m |
|---|---------------|
| Reserves at April 2019 | 45.918 |
| New Resources | |
| Asset Sales (96%) (*) | 7.933 |
| Interest on investments (excl. property fund) | 1.600 |
| NHBS 2019/20 | 2.178 |
| Revenue contribution to Asset Replacement Fund | 8.378 |
| Revenue contribution to Investment Opportunity Fund 2019/20 | 0.533 |
| External income due to support capital programme (incl CIL) | 24.434 |
| LEP Grant unapplied as at 31 March 2019 | 2.165 |
| Interest on repayment of SLM advance | 1.100 |
| Total Resources | 94.239 |
| Less commitments: | |
| Insurance Fund | -0.266 |
| Provision for one off redundancies | -0.211 |
| Housing Reserve | -0.540 |
| Minimum level of reserves | -6.300 |
| Other earmarked funding | |
| Reserve commitments - Revenue | -8.230 |
| Available Resource | 78.692 |
| Current Capital Projects | -43.414 |
| Current Asset Replacements | -11.760 |
| Uncommitted Resource | 23.518 |

* Asset Sales are shown Net of 4% cost of sales

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 2019 | 13.241 |
| NHBS Grant 2019/20 | 2.178 |
| NHBS Commitments 2019/20 to 2024/25 | -6.766 |
| Balance Uncommitted 31 March 25 Projected | <u>8.653</u> |

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CHICHESTER DISTRICT COUNCIL

Statement of Reserves

| Reserves | Balance at 31 st March 2019 £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 | 15,318 | 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 | 780 | 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 2019 £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 | 211 | 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 | 406 | 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 | 7,237 | 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 2019 £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 | 75 | 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 | 13,241 | 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 | 998 | 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 | 224 | 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 2019 £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 | 861 | 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 | 237 | 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 2019 £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 | 169 | 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 | 144 | 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 2019 £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 | 156 | 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 | 168 | 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 | 71 | 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 2019 £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 | 320 | 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 |
| Community Led Housing Grant Reserve | 1,304 | This reserve represents funds received from the Government to support community led housing developments within the district. The reserve is to enable local community groups to deliver affordable housing units and may be used to provide technical support, revenue funding and enable capital investment to make more schemes viable. | Delegated authority has been given to the Director for Housing and Communities, following consultation with the Cabinet Member for Housing and Revenues and Benefits, to approve the spend of these funds in line with government guidance relating to the funds and the Council's adopted Housing Strategy. | Delegated authority has been given to the Director for Housing and Communities, following consultation with the Cabinet Member for Housing and Revenues and Benefits. | Annually |

| Reserves | Balance at 31st March 2019 £000 | Purpose of the Reserve | How and when can reserve be spent | Authorisation required for use of reserve | Frequency of review for reserve adequacy |
|---|---|---|--|--|---|
| Investment Risk Reserve | 565 | A sum set aside in 2018-19 towards the change in the value of council investment as a consequence of the decision by the Chartered Institute of Public Finance and Accountancy (CIPFA) to adopt the accounting standard IFRS9. | As determined by the Director of Corporate Services | Director of Corporate Services | Annually |
| Flexible Homeless Support Grant Reserve | 278 | The Flexible Homeless Support Grant is intended to allow flexible support for homelessness and is ring-fenced for this purpose. It is intended that the outcomes of the grant will be to prevent homelessness by offering housing options advice at an early stage and also ensuring residents are accessing all the benefits to which they are entitled. | Approval to spend subject to reports to the Cabinet. | The Council | Annually |
| Pay Review Reserve | 300 | A reserve to provide for the salary protection costs following the outcome of the staff pay review. | As determined by the Director of Corporate Services | Director of Corporate Services | Annually |

| Reserves | Balance at 31st March 2019 £000 | Purpose of the Reserve | How and when can reserve be spent | Authorisation required for use of reserve | Frequency of review for reserve adequacy |
|-------------------------------|---|---|--|--|---|
| Other Reserves | 769 | 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 | 44,266 | | | | |

CAPITAL RESERVES

| | | | | | |
|---------------------------------|---------------|---|---|-------------|----------|
| Usable Capital Receipts Reserve | 1,652 | 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 | 1,652 | | | | |
| Total Reserves | 45,918 | | | | |

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Prudential Indicators and MRP Statement 2020/21

The Local Government Act 2003 requires the Council 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 Council 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 2020/21.

Estimates of Capital Expenditure: The Council'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 2024/25) and Appendix 1d (Asset Replacement Forecast 2019/20 to 2024/25) to this Budget Report.

| Capital Expenditure and Financing | 2019/20 Rev £m | 2020/21 Est £m | 2021/22 Est £m | 2022/23 Est £m | 2023/24 Est £m | 2024/25 Est £m |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Expenditure | 13.819 | 15.651 | 14.902 | 3.858 | 3.759 | 3.185 |
| Capital Receipts | 2.663 | 1.337 | 0.500 | 0.550 | 0.000 | 0.000 |
| Government Grants | 4.915 | 2.000 | 1.660 | 1.350 | 1.350 | 1.350 |
| Other Contributions | 0.890 | 7.089 | 6.825 | 0.050 | 0.425 | 0.000 |
| Reserves | 3.886 | 2.834 | 2.404 | 1.471 | 1.559 | 1.410 |
| Revenue | 1.465 | 2.391 | 3.513 | 0.437 | 0.425 | 0.425 |
| Total Financing | 13.819 | 15.651 | 14.902 | 3.858 | 3.759 | 3.185 |

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 | 2019/20 Rev | 2020/21 Est | 2021/22 Est | 2022/23 Est | 2023/24 Est | 2024/25 Est |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| General Fund | -6.41% | -6.45% | -6.59% | -6.40% | -6.21% | -6.03% |

The estimates of financing costs reflect the Budget Spending Plans for 2020/21 to be reported to Cabinet on 4 February 2020 and considered by Council on 3 March

2020. 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 2020/21

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 Ministry of Housing, Communities and Local Government's *Guidance on Minimum Revenue Provision* (the MHCLG Guidance) most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The MHCLG 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 (CFR) is expected to remain negative or zero as at 31st March 2020, if the MHCLG Guidance is adhered to there should be no MRP charge in 2020/21. However a finance lease for the Multi-functional devices (which adjusts the negative CFR position) requires a MRP charge of £6,300 in 2020/21 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 2020, the budget for MRP has been set is set at **£6,300 for 2020/21** due to the MRP required for the MFD finance lease.

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| Authority/or ganisation | Representations | Recomme nded changes following consultatio n |
|-------------------------|---|--|
| WSSC | <p><u>PROW</u></p> <p>Indicative project delivery could be:</p> <p>IBP/787 Pagham to South Mundham Route – as this scheme is reliant on reserved matters and occupations as well as permission being granted and built out on other sites that contribute to this scheme, a realistic indicative delivery could be 22/23 and 23/24 (we will adjust this if required – forward or back).</p> <p>IBP/789 Thornham Lane to Cot Lane – This could be relatively soon. Considering the IBP is setting priorities for the coming 5 years, the next financial year we can add this project to would therefore be 20/21 and 21/22, obviously depending on a viable scheme and full funding.</p> <p><u>TELECOMMUNICATIONS</u></p> <p>IBP/580 Project has now completed across the County and should be removed from the list as part of this update to the IBP.</p> <p>The County Council supports the projects selected for CIL funding in table 11 of the IDP with some amendments indicated below.</p> <p>HIGHWAYS AND TRANSPORT</p> <p>The following improvements from the emerging Local Plan transport strategy are not included in the IBP document, it is for CDC to determine how these should be updated considering how this links to the work on the Local Plan Review.</p> <p>Chichester City</p> <p>Junctions 5 and 6 are individual improvements within the Northgate Gyratory at Northgate/Orchard St and Churchside/Broyle Road respectively and although not individually listed in the IBP may be considered to be subsumed within the larger Northgate Gyratory scheme included at IBP/352. Contributions against J5 and 6 from the study may be placed towards IBP/352.</p> <p>Junction 7 A286 New Park Road / A286 St Pancras Road Project cost estimate £387,400 + 61% Optimism Bias (IBP/837)</p> <p>Junction 9 Stockbridge Road / Terminus Road Range of options Costs up to approx. £300K + 61% Optimism Bias (IBP/838)</p> <p>Chichester Wider Area</p> <p>Junction 2 B2145/B2201 (Sidlesham Common) Project costs £372,500 + 61% Optimism Bias (IBP/839)</p> <p>Cost estimates exclude:</p> | <p>IBP/787, IBP/789, IBP/580, &/IBP/352 will be updated as requested.</p> <p>New projects IBP/837, IBP/838, IBP/839 are associated with the Local Plan Review and will be included</p> |

| | | |
|--|---|--|
| | <p>Options and Development Phase Costs</p> <ul style="list-style-type: none"> •Land costs •Statutory Undertakers Costs •Employers Agent Supervision Costs •Non-Recoverable VAT Allowances •Inflation beyond Q3 2018 •Portfolio Risks Portfolio Risks •Land Contamination and Remediation costs <p>The A27 schemes included in the IBP do have the updated costs from the PBA study. The study update and highway feasibly work may change these costs in the spring.</p> <p>IBP/344 – project completed so remove from IBP.</p> <p>IBP/346, 670 359, 658, 356, 357– reference projects as medium term not short term</p> <p>IBP/349 – Feasibility work is currently being undertaken to consider the A286 Birdham Road/B2201 (Selsey Tram Roundabout) junction. It is considered that costs will increase and, an estimated cost range for the scheme is between £400k - £600k. The request for CIL funding will increase, taking account of the increased received and allocated S106 funding available (c£160k).</p> <p>IBP - 350/679/680/681/682 Reg 123 lists limited collection of any funds through S106 for these projects as listed under CIL. Part of the sustainable transport strategy for the District to mitigate the planned development in the Local Plan. CDC to determine how best for these projects to be funded and come forward to mitigate development in the adopted Local Plan following removal of Reg123 lists.</p> <p>IBP 353 – Westhampnett sustainable corridor, move back the £500,000 CIL allocation to 20/21.</p> <p>IBP 364 – We request that there is reference to the Barnham to Chichester cycle scheme be added into the IBP364 project description for clarity as would link to this scheme. Feasibility work is currently being undertaken on the wider route, but it considered that the Tangmere to Chichester section would link tothe Barnham section and so become one route from Barnham to Chichester. The Barnham to Chichester cycle route is project 192 in the WSCC Cycling and Walking Strategy. The Chichester to Barnham cycle route is in the initial stages, with a feasibility study currently being undertaken (A29 to A27) skirting the proposed development at Tangmere. The project consideration and funding allocation has been considered through the WSCC LTIP process. The s106 funds currently held in Tangmere (alongside some contributions from development in Arun) have been allocated to the cycle scheme in LTIP (from Barnham to Chichester), and will be approved formally once the scheme moves into the WSCC Annual Delivery Programme.</p> | <p>within the Local Plan Review IDP rather than this IBP. IBP/840 and IBP/841 will be included in the IBP</p> <p>IBP/344 will be recorded as completed</p> <p>IBP/346, IBP/670, IBP/359, IBP/658, IBP/356, IBP/357, IBP/349, IBP/353, IBP/364 will be amended as suggested</p> <p>IBP/350, IBP/679, IBP/680, IBP/681 & IBP/682 will be removed from the IBP as the</p> |
|--|---|--|

| | | |
|--|--|--|
| | | Bikelt project is promotion rather than infrastructure. & therefore not suitable for stand alone projects. |
| | <p>IBP/372 – Air Quality Action Plan measures. Should this project detail be updated to reference the CDC 2018 monitoring reports: CDC to replace some of its fleet vehicles with electric vehicles, raise awareness of facts around poor air quality and how to reduce pollution (focus on benefits of active travel and reduce exposure), enable air quality impact from new development considerations using new Local Plan policy, commence work on LCWIP, deliver a new air quality monitoring station in Chichester on Westhampnett Road?</p> <p>IBP/540, 541, 542, 543 – reference as medium term</p> <p>IBP/659 – Manhood school access improvements, move back a year to 21/22.</p> <p>IBP/665, 655 and 654 The Road Space Audit is expected to be completed in two phases. Therefore, please change the projects to be 2 rather than 3 projects as currently in the IBP. The first phase would be expected to be completed in in 2020/21, the second phase the following year so 2021/22. The figures would remain the same so £500K for phase one and £250K for phase two.</p> <p>IBP/669 – reference as medium to long term, delivery not expected before 2027.</p> <p>IBP/787, 789– it is requested that these projects be prioritised for funding in table 11.</p> <p>New Project (IBP/840) - College Lane / Spitalfield Road Junction improvements. The project is looking to widen the existing footways each side of the junction to make suitable for shared use and an improvement to the traffic island in this junction to again make it suitable for shared use. Estimated delivery would be 21/22 with a cost estimate of £60k to be fully funded by CIL. This would link to schemes to improve the northern side of Oaklands Way and Oaklands Way roundabout.</p> <p>New Project (IBP/841) - Chidham Sustainable Transport Improvements. The basis of the scheme is to widen existing footways to accommodate shared use and to potentially re-align the junctions of Broad Road and the A259 and Chidham Lane and the A259 to accommodate the shared path and make crossing of the A259 safer for walkers and cyclists. This project will help alleviate heavy congestion outside the Primary School that exists and will inevitably get worse due to recent new development on Broad Road and planned development at the northern end of Broad Road. Estimated scheme cost of 1.8m – 2.0m with estimated start</p> | <p>IBP/372 no change required at this stage</p> <p>IBP/540, IBP/541, IBP/542, IBP 543, IBP/659, IBP/669 will be updated as requested.</p> <p>IBP/654 will be deleted and IBP/665 and IBP/655 will be updated as requested. IBP/787 &</p> |

| | | |
|--|--|---|
| | <p>date of 22/23. There is £162k S106 funding received and allocated to scheme. Request for 500k of CIL funding based on new development in Chidham since CIL was implemented.</p> <p>Education IBP/328 – add in '(Considering the Neighbourhood Plan Vision for one school, Master Planning of the site is including land for provision of a 3 form entry school)' to the scheme details column.</p> <p>IBP/593 – reference as short term.</p> <p>IBP/330 – remove planning reference to SB/14/02800/OUT, this should be on IBP 331. In responses to IDPs and discussions with developers we reference only the upper cost estimates for projects. Therefore, we would prefer the cost range for projects to be removed, with only the upper cost in the document.</p> <p>Library Provision IBP/335 and 336 - Change cost range from £75,000 - £100,000 to £100,000, remove words 'new' and 'school' from the descriptions so 'library provision as part of a community centre for.....to include shelving and self-service terminal' also reference to CIL in funding sources column for both library provision entries.</p> <p>Waste Management. IBP/710 – remove 'rebuilding' in title for all references to IBP 710. Should read as 'Reconfiguration/improvement of Westhampnett transfer station/household waste recycling site. We also request to add in additional wording to the justification column 'Additional capacity required to handle materials from the kerbside collections i.e. separately collected food waste, small WEEE (Waste Electronic and Electrical Equipment), textiles'.</p> <p>Flood and Drainage There are a number of projects that have been discussed with CDC engineers, it will be for CDC to decide if projects should be revised, remain or be removed such as IBP/288, 289, 291, 14, 50, 595, 100, 135, 721, 178, 164, 290, 570, 287, 711, 396.</p> | <p>IBP/789 will be considered for funding at the appropriate time next May. WSCC need to identify the year in which these projects are to be delivered.</p> <p>IBP/328, IBP/593, IBP/330, IBP/331, IBP/335, IBP/336, IBP/710 will be updated as requested</p> <p>Only IBP/711 has been put forward by WSCC & as such they need to decide whether or not it is</p> |
|--|--|---|

| | | | | | | | | |
|-------------------------|---|--|---|-----------------------|--|--|--------------------------------|--|
| | | | | | | | | required. All other projects have been put forward by others & will be updated at their request. |
| Parish Councils | | | | | | | | |
| Bosham | Please add new project: | | | | | | | This new project will be added to the IBP as IBP/820 |
| | Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) | |
| | Transport | Taylor's Lane/Walton Lane Laybys filled | These laybys are becoming dangerous and unsightly | Now | | | | |
| Chichester City Council | <p>The following projects currently on the Infrastructure Plan have been completed and can now be removed from Appendix A:</p> <ul style="list-style-type: none"> • Replacement cycle racks (IBP/738) • Bus shelters (IBP/708) • Lighting in Litten Gardens (IBP/739) <p>It was decided that the wording of "Improve access for elderly people in City Centre" (IBP/24) be modified to remove the word "elderly". The phasing has also been updated to 2020.</p> <p>Please add the following new projects:</p> | | | | | | | IBP/738, IBP/708 & IBP/739 will be recorded as completed |
| | Infrastructure Category (from above list) | Scheme (description) With IBP | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing | Delivery lead (who/how) | All new projects |

| | | reference number if an update for an existing project | | | | amounts from each source & any shortfalls | | |
|--------------------|---|---|--|---|-----------------|---|-------------------------|--|
| | Public and Community Services | Production of a Neighbourhood Plan IBP/812 | To facilitate greater local input into planning decisions in the City | Sept 2019 aiming for adoption by September 2021 | £50,000 | CIL | Chichester City Council | will be added to the IBP with the reference numbers shown. |
| | Transport | Provision for slow moving vehicles IBP/24 | Improve access for people in City Centre. | 2020 | | CIL | Chichester City Council | |
| | Green infrastructure | Tree planting within the City IBP/831 | To assist in becoming carbon neutral by 2030. | 2020 | £3,000 | CIL | Chichester City Council | |
| | Public and community services | Glaze the Council House Portico IBP/832 | To conserve the building and assist with energy efficiency at the Council House. | 2020 | £50,000-£70,000 | CIL | Chichester City Council | |
| | Public and community services | Purchase of Speed Indicator Devices IBP/833 | To improve speed awareness in the city. | 2020 | £15,000 | CIL | Chichester City Council | |
| Chidham & Hambrook | Existing projects to be updated: Remove IBP/747 as funded from NHB Update costs of IBP/709 to £14,250 IBP/733 Possible match funding to be sourced | | | | | | | IBP/747 will be recorded as completed All other |

Remove IBP/810 as covered by IBP/616

IBP/598 Change scheme description to: Reduce speed on parish roads and along the peninsula including the A259 through the parish. Change title to include all roads in the parish.

Remove IBP/599 as covered under IBP/598

IBP/603 under description change 'bottom' to 'top' of Cot lane

IBP/741 reword to include verges in the description and add justification as pedestrian safety.

IBP/742 add justification as pedestrian safety

Delete IBP/745 as project is outside of parish control

Delete IBP/811 as this will be funded through NHB

Add new projects as follows:

| Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) |
|---|---|---|----------------|-------------------------------------|---|-------------------------|
| Transport | Improved street lighting on Broad Road IBP/813 | Young people feel vulnerable walking home at night | Immediate | £10,000 | CIL | CHPC/WSCC |
| Transport | Traffic calming measures in Broad Road IBP/814 | Traffic calming measures to accompany the SIDs being installed | Immediate | £10,000 | CIL | CHPC |
| Green infrastructure | Creation of 2 ponds at Maybush Copse IBP/815 | Encourage wildlife | 2019-2020 | £2,400 | CIL | CHPC Minute 048-19.8 |
| Social infrastructure | Developing the Parish Council's existing website by 2020 to meet required legislation | To improve communications to a broader audience; especially new | 2020-2021 | £5,000 | CIL | CHPC |

projects will be amended and deleted as requested

These new projects will be added to the IBP with the reference numbers shown.

| | | IBP/816 | residents | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|-------------------------------------|---|-------------------------|------|---|--|--------------------------|----------------|-------------------------------------|---|-------------------------|-----------------------|---|---|------|----------|--------------------------------|--------|---|
| | Transport | Replacement/repair of bus shelters in the parish IBP/821 | Adequate shelter provided for bus goers. | 2020-2021 | £5,000 | CIL | CHPC | | | | | | | | | | | | | | | |
| Kirdford | <p>Please could it be noted that 54 new dwellings have been permitted for development in Kirdford (planning application 19/00086/FUL was permitted on 30 October 2019). This is important for the prioritisation of the projects that will impact Kirdford and the funding available for them and we (Kirdford Parish Council) are ready to start straight away. All projects are ready to be actioned/selected. The priorities for the parish to deliver have some funds allocated by the parish already and we are hoping to start them as soon as CIL funds become available:</p> <p>Amendments</p> <p>IBP 81 & 320</p> <ul style="list-style-type: none"> • The play equipment is now installed using parish funds. • The SUDS pond will <u>not</u> be permitted by The National Trust which owns the land, therefore this should be removed from the plan. • The road and parking provision can remain; this is to improve the existing road rather than to establish one. <p>New projects:</p> <table border="1"> <thead> <tr> <th>Infrastructure Category (from above list)</th> <th>Scheme (description) With IBP reference number if an update for an existing project</th> <th>Justification/ rationale</th> <th>Phasing (when)</th> <th>Total estimated infrastructure cost</th> <th>Sources of funding, showing amounts from each source & any shortfalls</th> <th>Delivery lead (who/how)</th> </tr> </thead> <tbody> <tr> <td>Social infrastructure</td> <td>Improvements to existing Kirdford Village Hall: Outside storage to replace existing garage and shed, covered way access to the main Hall, outside toilet/wet room at the back of the Hall, insulation, solar panels and replacement toilets and kitchen. IBP/822</td> <td>Hall amenities aged and need replacing to enhance enjoyment of community.</td> <td>2020</td> <td>£150,000</td> <td>CIL, Parish Council and grants</td> <td>Parish</td> </tr> </tbody> </table> | | | | | | | Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) | Social infrastructure | Improvements to existing Kirdford Village Hall: Outside storage to replace existing garage and shed, covered way access to the main Hall, outside toilet/wet room at the back of the Hall, insulation, solar panels and replacement toilets and kitchen. IBP/822 | Hall amenities aged and need replacing to enhance enjoyment of community. | 2020 | £150,000 | CIL, Parish Council and grants | Parish | <p>IBP/81 & IBP/320 will be amended as suggested</p> <p>These new projects will be added to the IBP with the reference numbers shown.</p> |
| Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) | | | | | | | | | | | | | | | | |
| Social infrastructure | Improvements to existing Kirdford Village Hall: Outside storage to replace existing garage and shed, covered way access to the main Hall, outside toilet/wet room at the back of the Hall, insulation, solar panels and replacement toilets and kitchen. IBP/822 | Hall amenities aged and need replacing to enhance enjoyment of community. | 2020 | £150,000 | CIL, Parish Council and grants | Parish | | | | | | | | | | | | | | | | |

| | | | | | | | | |
|--|-----------------------|--|---|-----------|----------|---|----------------|--|
| | Social infrastructure | New sports pavilion on Great Common in Kirdford. Old building no longer in use, is completely inaccessible, dilapidated and covered in vines inside and out. Requires removal and replacement with modern facilities for the sports teams to change, shower, use toilets and use a kitchen. IBP/823 | Junior Football teams utilise Great Common every week and have no facilities to change, no toilets and no kitchen facilities. | 2020-2024 | £200,000 | CIL, Parish (already has some funds set aside) and grants | Parish | |
| | Social Infrastructure | Modification of the existing Kirdford village sign to become a 'ceremonial' war memorial; by replacing the timber upright with a stone equivalent (and replace the Kirdford village sign), remove of the seating and duplicate the four plaques and fix them to the four sides of the plinth. IBP/825 | Community recognition of history | 2020 | £10,000 | Parish and CIL | Parish Council | |
| | Social Infrastructure | Provide play equipment for Kirdford Recreation ground. IBP/824 | For children to play on while siblings/parents play sport | 2020 | £25,000 | Parish and CIL | Parish Council | |
| | Social Infrastructure | Resurface and repair tennis courts on recreation ground IBP/826 | Improve facility to encourage use | | £20,000 | Parish and CIL | Parish Council | |
| | Transport | Provide parking or other solution for the recreation ground IBP/827 | Parking along main road | | £30,000 | CIL | | |
| | Transport | Provide footpath outside Village Hall and from bus stop opposite IBP/828 | Safety | | £10,000 | CIL | | |
| | Social Infrastructure | Provide Village sign board outside of Village Hall IBP/829 | | | £2,500 | Parish and CIL | Parish Council | |

| | | | | | | | | |
|--------|---|--|---|--|--|---|--------------------------------|---|
| | Green Infrastructure | Provide wildlife area IBP/830 | | | £20,000 | CIL | | |
| Lavant | <p>Update existing projects as follows:</p> <p>IBP/585 Change description of scheme from 'footpath maintenance' to: New footpath between Marsh Lane (East Lavant) & Churchmead Close (Mid Lavant). Add justification: To provide safer connectivity between two parts of the village, currently only accessible via a busy road (A286 Chichester to Midhurst). Add term time: Short term 2016-2024. Add lead: Parish Council. IBP/595 Change description of scheme from 'maintenance of ditches' to: Maintenance of Marsh Lane ditches. Add phasing: 2019-2020. Add term time: 2016-2024. Add funding sources: Watershed Funding.</p> <p>IBP/647 Add phasing 2020-2023. Add term time: Short term 2016-2024. Add cost estimates: £100,000. Add funding: Local Authorities, public donations.</p> <p>Add new project : Creation of an Orchard Village as follows:</p> | | | | | | | Projects IBP/585, IBP/595 and IBP/647 will be updated as requested. |
| | Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) | |
| | Green infrastructure | Creation of an "Orchard Village" In phases as opportunities arise through new housing developments and land owner | SDNPA Outcome 2 - Increasing resilience within the landscape for natural resources, habitats and species. SDNPA Outcome 3 - Developing a well-managed and better connected network of habitats. SDNPA Outcome 11 - Improved community | In line with phasing on individual site development (on proposed new housing sites as well as existing green spaces) | £20,000 | Developer contributions as negotiated and community fund-raising. Tree planting initiatives by local authorities | Lavant Parish Council | This new project will be added as IBP/819 |

| | | | | | | | | |
|------------|--|------------|--|--|--|---|---|--|
| | | engagement | access for mental and physical health and well-being LNPD10 Local Green Spaces and 11 Local Community Spaces . Orchards will help to conserve and enhance these spaces. ALSO referred to in the LNPD Supporting Document Community Matters | | | and charities (eg Friends of the Earth) | | |
| Loxwood | <p>There are some anomalies in the CDC IBP with regard to Loxwood Parish . These are</p> <p>IBP/317 Effective date range to change to 2020/2021</p> <p>IBP/696 Effective date range change to 2021/2022</p> <p>IBP/776 should be taken out as this project was completed in the previous year and included on the CIL account submitted to CDC.</p> <p>IBP/754 Change wording to “Improvements to entrance”</p> <p>IBP/731 Take out</p> <p>IBP/770 Take out.</p> | | | | | | <p>Projects IBP/317, IBP/696 , will be updated as requested</p> <p>IBP/776 will be recorded as completed</p> <p>IBP/754, IBP/731 & IBP/770 will be removed.</p> | |
| Donnington | <p>We note that IBP/349 (improvements to Selsey Tram/A286 roundabout to improve traffic flow) is now marked as "selected". We would like to understand what the plans are as the original improvements planned for this junction following the development of the estate at Canal Walk were considered ill-conceived as they would lead to rat running through Donnington.</p> | | | | | | <p>Regarding IBP/349 – CDC has not yet received the design</p> | |

In regard to IBP/339 (Stockbridge Link Road and improvements to the Stockbridge roundabout), the Council has expressed its opposition to these proposals previously and questions why they are included here. The link road and roundabout improvements are aspirations of CDC under the latest draft of the Local Plan Review but are unlikely to bring benefits to the residents of Donnington.

details as these are currently being worked up by WSCC. However, no CIL monies will be released until the details are submitted to CDC.

Regarding IBP/339 – the Council is re-examining the need for a Stockbridge Link Road. Until the results are known the project will remain as stated, as this is the best information available at present. If the situation changes the IBP

| | | |
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| | <p>Projects IBP/43 and IBP/35 have been completed.</p> <p>Please add new project to relocate a bus shelter in the Parish on the corner of Stockbridge Road and Stockbridge Gardens. The current location is not ideal as buses can't be seen. Since a tree was removed from the verge it is possible to put a new shelter on the verge and we will look to spend some of the CIL money held by the Council to facilitate the improvement. A proforma with the details is attached and we hope it will be suitable. IBP/818.</p> | <p>will be updated accordingly.</p> <p>Projects IBP/43 & IBP/35 will be recorded as completed</p> <p>This project will be added as requested as IBP/818</p> |
| <p>Southbourne</p> | <p>Deletion</p> <p>IBP/291 – this relates to Chidham and Hambrook PC, not Southbourne PC IBP/521 – Double yellow lines – This was delivered by WSCC (e mails of 19 July 2019 refer)</p> <p>Amendments</p> <p>IBP/305 – Delete reference to a MUGA (keeping the artificial grass pitch). The MUGA is no longer needed because one is already being built at Bourne Community College.</p> | <p>IBP/291 no change as it has correctly been recorded as Chidham and Hambrook</p> <p>IBP/521 no change as it has already been recorded as completed</p> <p>IBP/305 &</p> |

| | <p>IBP/693 - Under justification amend to read: "Existing facilities within the Village Hall are very basic, e.g. Sound proofing and more storage is required."</p> <p>New Projects:</p> <table border="1" data-bbox="353 252 1890 624"> <thead> <tr> <th>Org Name</th> <th>IBP Id</th> <th>Category</th> <th>Project Type</th> <th>Scheme Justification</th> <th>Phasing</th> <th>Term Time</th> <th>Cost Range</th> <th>Funding Sources</th> <th>Delivery Lead</th> </tr> </thead> <tbody> <tr> <td>WSSC</td> <td></td> <td>Transport</td> <td>Cycle and pedestrian infrastructure IBP/834</td> <td>Provision of Southbourne section of a safe cycle route from Chichester to Emsworth (ChEm Route)</td> <td></td> <td></td> <td></td> <td>CIL Highways England?</td> <td>WSSC</td> </tr> </tbody> </table> | | | | | | | | Org Name | IBP Id | Category | Project Type | Scheme Justification | Phasing | Term Time | Cost Range | Funding Sources | Delivery Lead | WSSC | | Transport | Cycle and pedestrian infrastructure IBP/834 | Provision of Southbourne section of a safe cycle route from Chichester to Emsworth (ChEm Route) | | | | CIL Highways England? | WSSC | <p>IBP/693 to be amended as requested</p> <p>New project IBP/834 to be added as requested.</p> |
|----------|--|---|--|---|------------------|-------------------|--|------------------------------|--|--------|----------|--------------|----------------------|---------|-----------|------------|-----------------|---------------|------|--|-----------|--|---|--|--|--|------------------------------|------|--|
| Org Name | IBP Id | Category | Project Type | Scheme Justification | Phasing | Term Time | Cost Range | Funding Sources | Delivery Lead | | | | | | | | | | | | | | | | | | | | |
| WSSC | | Transport | Cycle and pedestrian infrastructure IBP/834 | Provision of Southbourne section of a safe cycle route from Chichester to Emsworth (ChEm Route) | | | | CIL Highways England? | WSSC | | | | | | | | | | | | | | | | | | | | |
| Tangmere | Please make following amendments: | | | | | | | | <p>IBP/150, IBP/141, IBP/716, IBP/148, IBP/140, IBP/160, IBP/637, IBP/636, IBP 717, IBP/638, IBP/161, IBP/149,IBP/143, IBP/144, IBP/153,IBP/147, IBP/720 IBP/718, IBP/719, IBP/715, IBP/152, IBP/157, IBP/159,</p> | | | | | | | | | | | | | | | | | | | | |
| | IBP Id | Scheme | Justification | Phasing | Term Time | Cost Range | Funding Source | Delivery | | | | | | | | | | | | | | | | | | | | | |
| IBP/150 | Village Centre Car Park - Resurfacing | Tarmac. Current surface is worn and floods in heavy rain. Area requires drainage and a permeable (full infiltration) flexible surface installed with marked out parking spaces to make best use of area available and facilitate mobility impaired access. | Planning permission granted 18/03289/FUL | | 2020 | @£200k | Community Facilities S106/NHB | Tangmere Council | | | | | | | | | | | | | | | | | | | | | |
| IBP/141 | New Car parking for St. Andrew's Church | Current parking congestion on Church Lane during services/events will be exacerbated as village expands. TNP Section 5.9 | TSDL | | | | St Andrews Church | St Andrew | | | | | | | | | | | | | | | | | | | | | |
| IBP/716 | Tangmere airfield orbital cycle/bridleway/pedestrian/public rights of way with links to | Improve sustainable and green transport network, utilising | WSSC Walking and cycling strategy studies | | | | WSSC held TAD S106 allocated to Walking & Cycling route 192/SDL | Developer | | | | | | | | | | | | | | | | | | | | | |

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| | | Chichester and Barnham | existing public rights of way desire lines, Church Lane (south of airfield) and perimeter track. LPP 18, TNPP 8 and 9, WSCC walking and cycling strategy App1, scheme id 192, 145, 291, 194 and 292. | | | | 106/CIL | | IBP/142, IBP/639, IBP/592 amended as requested |
| IBP/148 | Cycle routes | Cycle routes and pathways – improve cycle routes through village to encourage use of sustainable transport and physical activity. TNPP 8 & 9, WSCC Walking and Cycling Strategy App 1, scheme ids: 192, 145, 291, 194, 292 | WSCC Walking and cycling strategy studies | | | | Existing S106 – TAD funds WSCC held TAD S106 allocated to Walking & Cycling route 192/SDL 106/CIL | Developed and Tangmere Council | Add new projects IBP/835, and IBP/836 as requested |
| IBP/140 | Walking/cycling improvements & Traffic Calming on Meadow Way and Malcolm Road | TNP Section 5.9 and sustainable transport links with SDL along "village main street". | TSDL | | | | TSDL S106 | WSCC and Tangmere Council | IBP/721 will be recorded as completed |
| IBP/160 | Traffic calming on Meadow Way and Tangmere Road | This road is These roads subject to "rat running" and high vehicle speeds which require inhibiting measures. Would also make road more attractive for walking and cycling. TNP Section 5.9 | TSDL | | | | TSDL S106 (to mitigate impact of increased traffic from SDL). NHB has funded SIDs | Developed and Tangmere Council. | |
| IBP/637 | Marsh Lane PROW 292 - upgrade surface to replace current water logged/mud sections | To enable year round foot/cycle access between Tangmere/Barnham areas and recreational use for expanding populations. TNP Policy 9 | | | | | SDL, Hanger, Meadow Way, S106 and NHB WSCC held TAD S106 allocated to Walking & Cycling route 192 | WSCC and Tangmere Council. | |
| IBP/636 | Improvements to Chestnut Walk - St Andrews Church footway E73/FP282 | To enable limited mobility users access along route. | TSDL | | | | Hanger site, TAD, S106 or SDL S106 and NHB. TSDL S106 | Developed Tangmere Council at Andrews Church | |
| IBP/717 | Extend footway on north side of Church Lane o/s Tangmere | Required as part of (refused) 50 dwelling | TSDL | | | | TSDL S106 | Developed | |

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|---------|--|---|------|--|----------------|--|--|--------------------------------------|
| | House. | proposal on Church Lane (12/02378/OUT and 13/03804/OUT) therefore carry over to SDL. | | | | | | |
| IBP/638 | Link(s) between Marsh Lane PROW 292 and WSCC solar farm perimeter permissive path. | To improve connectivity between existing recreational paths along existing desire lines. TNP Policy 9 | | | | | | WSCC and Tangmere Council. |
| IBP/161 | Sports Hall(s) | In Indoor Sports Centre facility - To provide a multiple sports facility for the enlarged village to be located in the centre of any new large development within the parish. Requirement ID in CDC Open Space/Sports provision studies. | TSDL | | >£500,000.00 | SDL S106. Hanger/Meadow Way Sport and Leisure S106, Parish/CDC CIL and NHB | | CDC, Tangmere Parish Council and NHB |
| IBP/149 | Allotment relocation | Due To facilitate the expansion of Tangmere Aviation Museum, the existing allotments will relocate to a new site within the SDL. | TSDL | | | SDL S106 | | |
| IBP/143 | Improvements to existing Community Facilities | Small scale improvements to facilities within Village Centre to improve utility of building for users. TNP Section 5.9 | | | | Community Facilities S106, Parish CIL and New Homes Bonus | | Tangmere Council and NHB |
| IBP/144 | Extension to St Andrew's Churchyard for burial space | Required to cater for long term need arising from expanded population. TNP Section 5.9 | TSDL | | | SDL S106 | | St Andrew's Church |
| IBP/153 | Community Centre | New large community centre required to cater for the village, which the existing Village Centre cannot accommodate any more due to it being so well used. The Village Centre is | TSDL | | >£500,000.001M | SDL/Hanger/Meadow Way S106, Parish and CDC CIL and NHB. | | Tangmere Council and NHB |

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| | | | limited in size for the population. Additional Community Facility space to serve enlarged population. TNP Policy 2 and 9. LPP 18 | | | | | | |
| IBP/835 | Commission Study into Community/Indoor sport provision. | | Study required to assist determination of siting/form/funding of new facilities to serve enlarged village i.a.w. IBP Projects 153 & 161 | Before SDL S106 | 2020 | | | Hangar CF/SL S106/CIL | Tangmere |
| IBP/162 | Church Hall (St Andrews) | | TNP Section 5.9 | | | | | SDL S106, Scouts and St Andrews Church | St Andrew and Scout |
| IBP/147 | Improvements to existing allotments | | Additional equipment required to upgrade facilities - water troughs, composting bins, (this is a large scale project) access to toilets. | | | £5,000.00 | | New Homes Bonus/Hangar SL S106. | Tangmere Council |
| IBP/720 | Garland Square new soakaways drainage system | | Root clearance and relining Reline surface water drains to connect Garland Sq system to new soakaways on Bishops Road. | Quote awaited | 2020 | £3,300 | | Operation Watershed, NHB, CIL | Hyde Group/Ta |
| IBP/723 | Nettleton Avenue | | New soakaway in recreation field to serve existing and new road gullies, utilising redundant foul sewer lines and access pits for conveyance and storage. To provide a diversion of flows from existing system arrangements which discharge on to Tangmere Rd. | | | | | Operation Watershed, NHB, CIL | |
| IBP/718 | Malcolm Road diversion of surplus flows from recreation field ditch to existing soakaways within recreation field. | | Loss of drainage line to Chestnut Walk and surcharging of gullies on Malcolm Rd leads to carriageway and domestic inundation on Malcolm Rd, surface flows on to | Utilising 2019 NHB grant | 2020 | £3900 | | Operation Watershed, NHB, CIL and SDL drainage infrastructure. | Tangmere |

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| | | | Tangmere Rd (NB, OPUS recommendation for new channel to discharge West of Cheshire Crescent Estate). | | | | | |
| IBP/719 | Diversion of Church Lane/Bayley Rd flows. | Current discharge is via a level gradient to Tangmere Rd/Church Lane junction resulting in inundation of Church Lane. New drainage proposed via fields south of Church Lane to link with existing ditch crossing the Tangmere Straight west of Museum bend. | Initial (Op W funded) research Nov 2019. SDL | | | Operation Watershed, NHB, CIL and SDL drainage infrastructure. | Develop PC | |
| IBP/722 | Tangmere Road (Jerrard Rd to Chestnut Walk) | Numerous defects and blockages within pipework on both sides of Tangmere Rd resulting in surface flows along/across carriageways and junctions. Requires relaying of defective pipework. | | | | Operation Watershed, NHB, CIL | | |
| IBP/724 | Cheshire Crescent | New soakaway sw corner (land owned by 100 Mannoek Rd). Failure of soakaways on Cheshire Crescent/Mannoek Rd increased flows to estate low point creates inundation of carriageway and domestic curtilage, flooding of dwellings and sewage pumping station. | - | - | - | Operation Watershed, NHB, CIL | - | |
| IBP/715 | New and replacement trees and hedgerows throughout the Parish. | Amenity, biodiversity and drainage management improvements. Note requirement to include this in IBP to | Ongoing | | | NHB, S106 | | |

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| | | | support future NHB applications. | | | | | | |
| IBP/152 | Current changing/Sports Pavilion | Changing rooms are currently very tired and need modernisation. This is to meet current day requirements and standards and multi use availability. New showers and tiled areas required plus replacement of wash basins and installation of hot water supply. | | | £20,000.00 | Hanger/Meadow Way Sport and Leisure S106 and NHB | | Tangmere Council | |
| IBP/157 | Malcolm Rd Recreation Field sports pitch area - land drainage | Current poor land drainage leading to poor quality playing surface, match cancellations, maintenance difficulties and surface water run off. | | | Land drainage system - £40,700 50k. Alternative Verti-drain/sandfill - £10,000. | Verti-drain/sandfill - £10,000, Topo survey - £700, Land drainage system - £30,000 S106 (Hanger/Meadow Way sport & leisure S106) | | Tangmere Council | |
| IBP/159 | Outdoor recreation areas | Overall provision of outdoor recreation areas below that required for existing and permitted Village size - see TPC response to latest CDC LPR related Open Space Study Consultation. | Obtain control/purchase open space on opportunity basis. | | | | | Tangmere Council | |
| IBP/142 | Land to be made available for community groups to develop for suitable purposes | To expand community orchard and/or community garden provision. TNP Section 5.9 | TSDL | | | TSDL S106 | | Developed PC | |
| IBP/639 | Bund & Hedge around Malcolm Road recreation ground. | To improve biodiversity connectivity and bolster unauthorised vehicular access preventative measures. | Quotes being sought following TPC resolution to proceed. | 2020 | £2500 (hedge), £???? Earthworks. | S106, NHB, CIL | | Tangmere Council | |
| IBP/592 | Tangmere SDL specific green infrastructure (all types) | Local Plan policy 18, Tangmere Neighbourhood Plan, policies 2, 8 and 9. Separates out projects specific to | SDL | | | SDL S106 | | Developed | |

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| | | | this SDL. | | | | | | |
| | IBP/158 | Broadband coverage | Requires provision of infrastructure to support superfast standards. | | | | | | Developer providers |
| | IBP/836 | Upgrading of Malcolm Road | To achieve vehicular access along the east-west route as the village grows and maintain the "one-village" vision set out in the Tangmere Neighbourhood Plan | 2022 onwards | | | | | Developer Development Location |
| Westbourne | IBP/565 Please update the wording to read: The play equipment at Mill Road recreation ground in Westbourne is in need of replacing. | | | | | | | | IBP/565 will be amended as requested. |
| Wisborough Green | Please amend IBP/766 to update cost from £8,000 to £17,000 and add the following new project: | | | | | | | | IBP/766 will be amended as requested. |
| | Please add new project: | | | | | | | | |
| | Infrastructure Category (from above list) | Scheme (description) With IBP reference number if an update for an existing project | Justification/ rationale | Phasing (when) | Total estimated infrastructure cost | Sources of funding, showing amounts from each source & any shortfalls | Delivery lead (who/how) | This project will be added as requested as IBP/817 | |
| | Social Infrastructure | Garage purchase to provide community storage close to the village green. | The garage is a single privately owned garage which is not associated with any property. It is close to the village green and is currently rented by the Fete Society. The garage is an | 2020-2022 | £30,000 | Parish Council | Parish Council | | |

| | | | | | | | | |
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| | | | essential storage facility which enables the traditional annual fete on the village green. Without this storage, fete activities would be severely impacted and the future of the fete would be under threat. | | | | | |
| Highways England | <p>We have reviewed the draft Infrastructure Business Plan and have the following comments:</p> <p>IBP/792 – Should funding sources read ‘CIL’ column 7? The delivery lead will be WSCC. This scheme does not appear to interact with the A27 and therefore unlikely to impact HE.</p> <p>IBP/790 – Spatial planning is not aware of HE funding towards this scheme. Accordingly, the Funding Source should be set as ‘CIL’ column 7. The delivery lead will be WSCC with support from HE where the scheme impacts the A27.</p> <p>IBP/791 – Spatial planning is not aware of HE funding towards this scheme. Accordingly, the Funding Source should read be set as ‘CIL’ column 7. The delivery lead will be WSCC with support from HE where the scheme impacts the A27.</p> <p>IBP/347 – Funding Sources should be s278 in column 7 as these are part of highway agreement works on the A27. The s106 requires the developer to enter into a s278 for the works with HE.</p> <p>IBP/346 – Funding Sources should be s278 in column 7 as these are part of highway agreement works on the A27. The s106 requires the developer to enter into a s278 for the works with HE.</p> <p>IBP/339 – With regard to funding in columns 4 & 5 there are a number of additional application sites that are contributing to these works. However, there is a known shortfall in funding of the total and accordingly additional grants/funding will be required. This may need to be reflected in the table in column 4 as other? WSCC will lead on the provision of the Stockbridge Link Road with HE supporting. The remaining A27 schemes will be led by HE.</p> <p>IBP/345 – Funding Sources should be just s278 (and not include Highways England as all funding comes from the development).</p> | | | | | | | The amendments to IBP/792, IBP/790, IBP/791, IBP/347, IBP/346, IBP/339 & IBP/345 will be made to the IBP as suggested |
| University of Chichester | <p>Please can I request the following:</p> <p>IBP 800 please delete</p> | | | | | | | IBP/800 will be deleted as |

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| | <p>IBP 387 Please can traffic calming on College Lane include the installation of speed humps and the installation of a formal pedestrian crossing point/zebra crossing immediately to the south of the University's lower exit onto College Lane which is currently blocked off. I believe funding should be WSCC/CIL but open to discussion with the University.</p> <p>IBP 377 please delete</p> | <p>requested</p> <p>IBP/387 will be amended as requested.</p> <p>IBP/377 will be deleted as requested</p> |
|--|---|---|

IBP CIL Spending Plan (extract from Appendix 2)

Shaded cells indicate where money has been spent and projects completed. Please note that this table no longer shows CIL spend during 2016/2017

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 1st April b/fwd | 609,148.27 | 2,847,898.97 | 6,071,129.70 | 8,987,263.06 | 2,673,851.06 | 2,656,452.94 | 824,572.94 | 736,411.06 | 4,407,386.06 |
| INCOME | | | | | | | | | |
| Gross Income | 2,852,376.37 | 4,016,475.59 | 2,183,306.83 | 903,910.00 | 1,885,030.00 | 2,352,350.00 | 2,482,480.00 | 4,871,020.00 | 4,389,840.00 |
| Parish Share | 564,351.20 | 739,573.63 | 326,550.37 | 222,126.50 | 296,082.50 | 352,852.50 | 372,372.00 | 956,494.00 | 880,600.00 |
| Admin | 62,930.93 | 43,875.16 | 109,165.34 | 45,195.50 | 94,251.50 | 117,617.50 | 124,124.00 | 243,551.00 | 219,492.00 |
| CDC Net Income | 2,225,094.24 | 3,233,026.80 | 1,747,591.12 | 636,588.00 | 1,494,696.00 | 1,881,880.00 | 1,985,984.00 | 3,670,975.00 | 3,289,748.00 |
| Interest to 31st March | 23,656.46 | 38,361.93 | | | | | | | |
| Net Income Due | | | 1,229,042.24 | | | | | | |
| Funds Available | 2,857,898.97 | 6,119,287.70 | 9,047,763.06 | 9,623,851.06 | 4,168,547.06 | 774,572.94 | 1,161,411.06 | 4,407,386.06 | 7,697,134.06 |
| EXPENDITURE | £ |
| IBP/194 - Enhancements to the Lavant Biodiversity Opportunity Area - the stretch of the Lavant north of the Westhampnett SDL. (£500 retention until later in 2019) | 10,000.00 | 39,500.00 | 500.00 | | | | | | |
| IBP/196 - Brandy Hole Copse | | 8,658.00 | | | | | | | |
| IBP/330 - Primary School places E-W Chichester (subject to further detail and evaluation) | | | | | 1,200,000.00 | | | | |
| IBP/657 - School access improvements at expanded primary school(s) Chichester. | | | | | 50,000.00 | | | | |
| IBP/656 - Sustainable transport corridor – City Centre to Portfield part of project 656 (subject | | | | | 25,000.00 | 50,000.00 | 425,000.00 | | |

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---------|---------|-----------|--------------|--------------|---------|---------|---------|---------|
| to further detail and evaluation) | | | | | | | | | |
| IBP/355 - RTPI screens at Chichester City | | | 60,000.00 | 60,000.00 | | | | | |
| IBP/353 - Sustainable transport corridor – City Centre to Westhampnett (subject to further detail and evaluation). | | | | 500,000.00 | | | | | |
| IBP/398 - Medical Centre W of Chichester. (Subject to further detail and evaluation) | | | | 1,750,000.00 | | | | | |
| IBP/331 - Primary School places Bournes. (subject to further detail & evaluation) | | | | | 1,200,000.00 | | | | |
| IBP/660 - School access improvements at expanded primary school(s) Bournes. | | | | | 50,000.00 | | | | |
| IBP/332 - Primary School places Manhood Peninsula. (subject to further detail & evaluation) | | | | 1,200,000.00 | | | | | |
| IBP/659 - School access improvements at expanded primary school(s) Manhood. | | | | | 50,000.00 | | | | |
| IBP/349 - A286 Birdham Rd/B2201 (Selsey Rd Roundabout) Junction Improvement. (subject to further detail and evaluation). | | | | 440,000.00 | | | | | |
| IBP/655 - Area -wide parking management West Chichester. (subject to further | | | | | 250,000.00 | | | | |

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------------------|-------------------------------|-------------------|---------------------|---------------------|
| detail and evaluation). | | | | | | | | | |
| IBP/775 - Southern Gateway public realm with new city square. (subject to further detail and evaluation). | | | | | 1,000,000.00 | | | | |
| IBP/710 - Reconfiguration/improvement of Westhampnett Waste Transfer Station/Household Waste Recycling Site. (subject to further detail and evaluation). | | | | 2,500,000.00 | | | | | |
| IBP/206 - Southern Gateway provision of bus/rail interchange & improvements to traffic & pedestrian circulation. | | | | | 3,000,000.00 | | | | |
| IBP/665 - Area-wide parking management Chichester City. (subject to further detail and evaluation). | | | | 500,000.00 | | | | | |
| Total expenditure | 10,000.00 | 48,158.00 | 60,500.00 | 6,950,000.00 | 6,825,000.00 | 50,000.00 | 425,000.00 | - | - |
| | | | | | | | | | |
| 31st March c/fwd | 2,847,898.97 | 6,071,129.70 | 8,987,263.06 | 2,673,851.06 | - 2,656,452.94 | - 824,572.94 | 736,411.06 | 4,407,386.06 | 7,697,134.06 |

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Chichester District Council Authority's Monitoring Report 2018-2019



www.chichester.gov.uk

January 2020

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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 2018 to 31 March 2019; however, significant events occurring since 31 March 2019 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

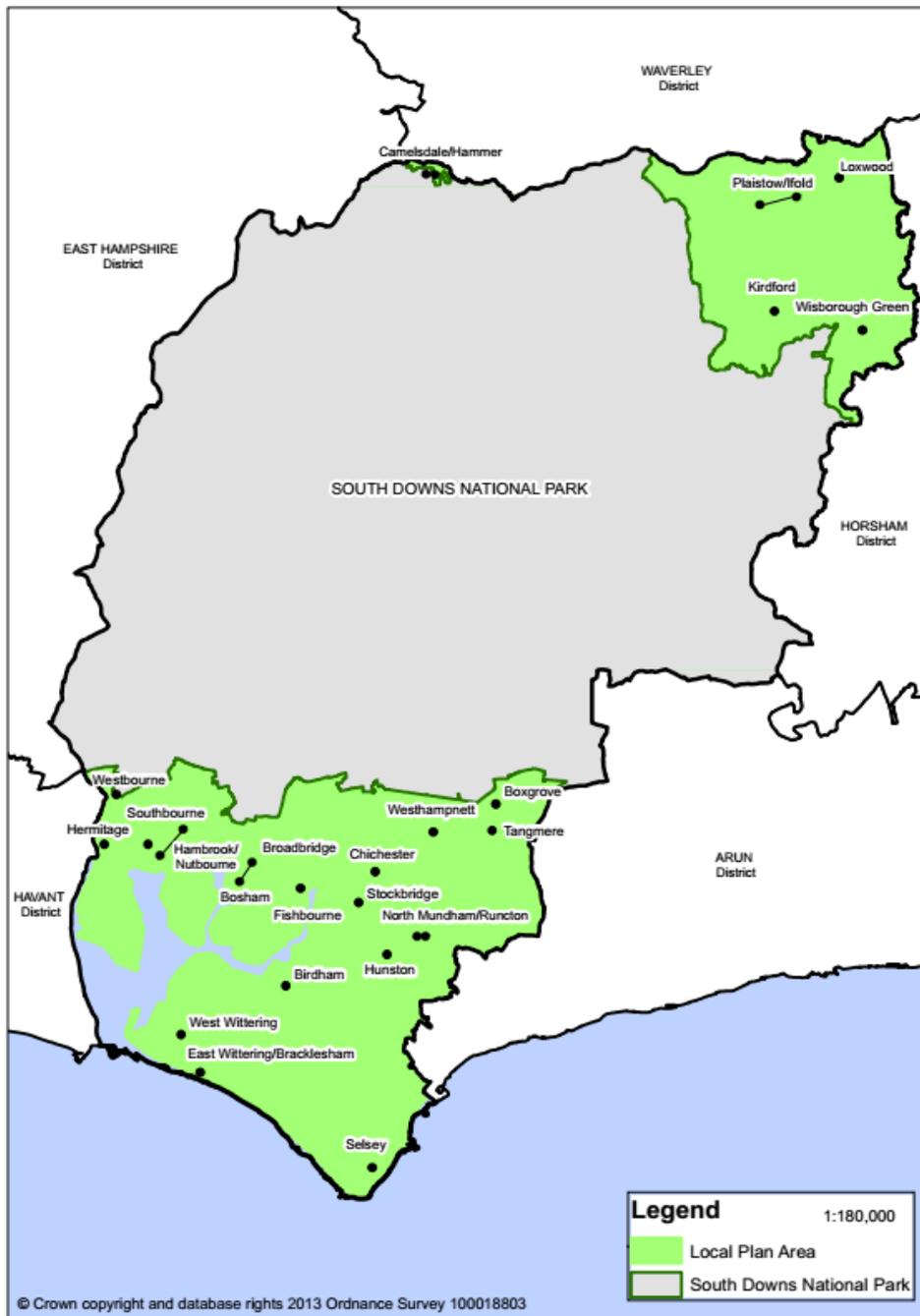
- 1.5. On 1 April 2011, the South Downs National Park Authority (SDNPA) became the local planning authority for the South Downs National Park (SDNP) area which covers a large area of Chichester District. This AMR covers the Chichester Local Plan area only and does not cover the part of the District covered 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.
- 1.8. Neighbourhood plans once 'made' form part of the development plan. Each Parish Council undertakes monitoring of the policies in its own plan and completes a monitoring report that is included in the AMR.

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

A27 Upgrade

- 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 on 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. The cost of the mitigation scheme is likely to have risen since 2015. It will be important to ensure 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 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. It is however recognised that developer funding alone may prove insufficient to meet the cost of mitigation

improvements, and that other sources of funding will therefore need to be acquired.

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 works closely with relevant organisations (including the Environment Agency, Southern Water, Natural England, WSCC and Chichester Harbour Conservancy through the advisory Chichester Water Quality Group) to consider issues relating to waste water and water quality.
- 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. 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. 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 Council 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.
- 2.11. A Water Quality Assessment Report produced in August 2018 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. This piece of work is currently being updated in order to clarify the required improvements and how and when they will be delivered. Some information on future upgrades is available on

Southern Water's website at <https://www.southernwater.co.uk/water-for-life/improvements-in-your-area/sussex/chichester-pipeline>.

3. Planning Context

National Planning Policy Framework

- 3.1. The National Planning Policy Framework, setting out national policy to be considered when planning for new development, was published in 2012 with the first revision taking place in July 2018. Following a technical consultation on updates to national planning policy, minor text changes were made on 19 February 2019. Subsequently, on 23 May 2019, the Secretary of State for Housing, Communities and Local Government issued a Written Ministerial Statement following a legal judgment to remove paragraph 209a from the section “Oil, gas and coal exploration and extraction”.
- 3.2. The NPPF is supported by Planning Practice Guidance (PPG) which during the monitoring period, added a ‘Housing Delivery Test measurement rule book’, a link to a user feedback survey, new guidance on ‘Build to rent’ and ‘Plan-making’ as well as updating guidance on ‘Housing need assessment’, ‘Housing and economic land availability assessment’ and ‘Local Plans’ and ‘Neighbourhood Planning’.
- 3.3. The NPPF and other national planning guidance can be found on the Ministry of Housing, Communities and Local Government [website](#) under Planning Practice Guidance.
- 3.4. 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

- 3.5. 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.

3.6. 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

3.7. The Council is a member of the Coastal West Sussex and Greater Brighton Strategic Planning Board comprising 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.

3.8. 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 Coastal West Sussex and Greater Brighton area; and
- To support better integration and alignment of strategic spatial and investment priorities in the Coastal West Sussex and Greater Brighton area.

3.9. The Board has signed a Memorandum of Understanding and agreed Terms of Reference which has established a framework for co-operation. In October 2013, the Board agreed the Coastal West Sussex and Greater Brighton Local Strategic Statement (LSS) which was prepared by the Board member planning authorities as a non-statutory strategic planning document to provide the context for delivering sustainable growth over the period 2013-2031.

3.10. 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 Board'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. Local Strategic Statement 2, which covers the period 2015 to 2031, identifies 4 Strategic Objectives and 9 Spatial Priorities. The partnership is looking to review and update the Local Strategic Statement to consider further cross boundary issues for the region.

3.11. 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 has prepared a separate local plan which will cover the parts of the District within the National Park boundary. The South Downs Local Plan was adopted in July 2019.

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 current LDS can be viewed on the Council's website at [Timetable - Local Development Scheme: Chichester District Council](#). However, for the purposes of this AMR, details and timetables for the documents included in the LDS published in January 2018 and November 2018 are considered below. The key milestones show stages undertaken during the monitoring period (1 April 2018 to 31 March 2019) whilst significant milestones occurring since 31 March 2019 are also noted.

Development Plan Documents

Chichester Local Plan Review

Table 1: Local Plan Review timetable in the LDS January and November 2018

| Key Milestone | Date in LDS January 2018 | Date in LDS November 2018 | Revised Date in current LDS September 2019 | Date Achieved |
|--|--|--|--|---------------|
| Approval of consultation on strategy options | Cabinet – June 2017 Council – June 2017 | Cabinet – June 2017 Council – June 2017 | Cabinet – June 2017 Council – June 2017 | June 2017 |

| | | | | |
|--|--|--|--|-------------------------------|
| Consultation on strategy options | June-August 2017 | June-August 2017 | June-August 2017 | June-August 2017 |
| Approval of Preferred Approach DPD for consultation | Cabinet – July 2018 Council – July 2018 | Cabinet – November 2018 Council - November 2018 | Cabinet – November 2018 Council - November 2018 | November 2018 |
| Consultation on Preferred Approach (Reg 18) | July – August 2018 | December 2018 – February 2019 | December 2018 – February 2019 | December 2018 – February 2019 |
| Approval of Statutory Public Consultation DPD for consultation (Publication) | Cabinet – January 2019 Council – January 2019 | Cabinet – July 2019 Council – July 2019 | Cabinet – March 2020 Council – March 2020 | |
| Statutory Public Consultation document (Reg 19) (Publication) | February – March 2019 | August – September 2019 | March – May 2020 | |
| Submission to Secretary of State | April 2019 | October 2019 | June 2020 | |
| Examination Hearing | September 2019 | January 2020 | September 2020 | |
| Adoption | March 2020 | July 2020 | March 2021 | |

4.5. The current Local Plan was adopted in July 2015. At that time, the Council committed to review the Local Plan within five years to ensure that sufficient housing was planned to meet the needs of the area. The Council is now working on the Local Plan Review. The first stage of consultation (Issues and Options) took place between 22 June and 3 August 2017. Consultation on the second stage (Preferred Approach) took place between December 2018 and February 2019. In light of comments received, additional evidence is being prepared. A revised LDS was approved by Council in September 2019. The timetable will continue to be revised as necessary.

Site Allocation Development Plan Document

4.6 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. The Site Allocations Development Plan Document was adopted in January 2019.

Table 2: Site Allocation DPD timetable in the LDS January and November 2018

| Key Milestone | Date in LDS January 2018 | Date in LDS November 2018 | Date Achieved |
|---|---------------------------------|----------------------------------|------------------------------|
| Approval of Preferred Approach DPD for consultation | December 2015 | December 2015 | December 2015 |
| Consultation on Preferred Approach (Reg 18) | January - February 2016 | January - February 2016 | January - February 2016 |
| Approval of Further Consultation Site Allocation DPD for consultation | July 2016 | July 2016 | July 2016 |
| Further consultation Site Allocation DPD consultation | July – September 2016 | July – September 2016 | July-September 2016 |
| Approval of Statutory Public Consultation DPD for consultation (Pre-Submission) | November 2016 | November 2016 | November 2016 |
| Statutory Public Consultation document (Reg 19) (Pre-Submission) | December 2016 – January 2017 | December 2016 – January 2017 | December 2016 – January 2017 |
| Submission to Secretary of State | March 2017 | March 2017 | March 2017 |
| Examination Hearing | September 2017 | September 2017 | September 2017 |
| Adoption | July 2018 | January 2019 | January 2019 |

Supplementary Planning Documents

Noise Supplementary Planning Document

4.7. The Noise SPD will set out advice on the implementation of policies for controlling noise from new development and protecting noise sensitive new development from existing noise, contained in the Local Plan Review. The table below sets out the timetable in the LDS approved in November 2018. A revised LDS was approved by Council in September 2019.

Table 3: Noise SPD timetable in the LDS November 2018

| Key Milestone | Date in LDS November 2018 | Revised date in current LDS |
|--|----------------------------------|------------------------------------|
| Consultation on Noise SPD (Reg 18) | August – September 2019 | March – May 2020 |
| Adoption (following adoption of Local Plan Review) | July 2020 | April 2021 |

Air Quality Supplementary Planning Document

4.8. The Air Quality SPD will set out advice on the implementation of policies for dealing with the impacts both from and upon air quality in relation to new development, contained in the Local Plan Review. A revised LDS was approved by Council in September 2019.

Table 4: Air Quality SPD timetable in the LDS November 2018

| Key Milestone | Date in LDS November 2018 | Revised date in current LDS |
|--|----------------------------------|------------------------------------|
| Consultation on Air Quality SPD (Reg 18) | August – September 2019 | March – May 2020 |
| Adoption (following adoption of Local Plan Review) | July 2020 | April 2021 |

Other Documents

Community Infrastructure Levy

4.9. The CIL Charging Schedule sets out standard charge(s) that the Council will levy on specified types of development to contribute towards required

infrastructure. The CIL Charging Schedule was adopted by the Council in January 2016 with the Planning Obligations and Affordable Housing SPD. It was prepared concurrently with the Chichester Local Plan and is supported by the Infrastructure Development Plan.

Policies Map

4.10. 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:

- Chichester Local Plan Review
- Site Allocation DPD (adopted Jan 2019);
- West Sussex Joint Minerals Local Plan (adopted August 2018);
- West Sussex Waste Local Plan (adopted April 2014); and
- Neighbourhood Development Plans.

Statement of Community Involvement

4.11 The Statement of Community Involvement (SCI) was adopted by the Council on 23 January 2018. It sets out the methods of consultation to be used for the various public consultation stages in the preparation of local plan documents and for development management consultations. The document has been updated to take account of changes in Government legislation and guidance.

Brownfield Land Register

4.12 The Council is legally required to prepare, maintain and publish a register of brownfield (previously developed) land within the plan area. The brownfield register aims to provide publicly available information on all brownfield sites which the Local Authority considers are appropriate for residential development. The register will be used to monitor the government's commitment to the delivery of brownfield sites.

Sustainability Appraisal incorporating Strategic Environmental Assessment

4.13 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

- 4.13 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 sets 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 2019, a total of 21 parishes within, or partly within, the Chichester Local Plan area were subject to Neighbourhood Plan Area designations. Only two areas, North Mundham and Sidlesham, were designated during the period April 2018 to March 2019.

Neighbourhood Plans Progress

- 5.6. Table 5 shows the progress of neighbourhood plans by parish and evidences any stages that were undertaken during the monitoring period (1 April 2018 to 31 March 2019) as well as significant milestones occurring before and after that

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

Table 5: Neighbourhood plans progress

| Parish | Key milestones | Date achieved |
|---|---|--|
| Birdham | Made | July 2016 |
| Bosham | Made | November 2016 |
| Boxgrove | Pre-submission Consultation Submission Consultation | September-November 2017 April – June 2018 |
| Chidham & Hambrook | Made | September 2016 |
| Fishbourne | Made | March 2016 |
| Kirdford | Made | July 2014 |
| Loxwood | Made | July 2015 |
| Selsey | Pre-submission Consultation Submission Consultation Examiner's report published | February – March 2017 February – March 2018 October 2018 |
| Southbourne | Made | December 2015 |
| Tangmere | Made | July 2016 |
| Westbourne | Pre-submission Consultation Submission Consultation | February - April 2016 June – July 2017 |
| Wisborough Green | Made | July 2016 |
| Other parishes with a Neighbourhood Plan Area designation | | |
| Chichester, East Wittering and Bracklesham, Hunston, Lynchmere, North Mundham, Plaistow and Ifold, Sidlesham, 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 2019. Each parish listed below has provided information and/or a commentary and these are included at Appendix 1.

- Birdham Neighbourhood Development Plan
- Bosham Neighbourhood Development Plan
- Chidham and Hambrook Neighbourhood Development Plan
- Fishbourne Neighbourhood Development Plan
- Kirdford Neighbourhood Development Plan
- Loxwood Neighbourhood Development Plan
- Southbourne Neighbourhood Development Plan
- Tangmere Neighbourhood Development Plan
- Wisborough Green 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 contributes 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 6 below.

Table 6: 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:

<https://www.chichester.gov.uk/article/29784/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 2018 to 31 March 2019.

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 7 below provides the information required by the regulation for the 2018/19 financial year and in the left hand column, reference is made to the CIL Regulations 62 (3) and (4).

Table 7: CIL receipts for the financial year 2018/19

| Regulation 62 Reference | Description | Amount Collected/ Project Title |
|-------------------------|--|---|
| (3) | 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- (a) Development (within the meaning of the TCPA 1990) consistent with a relevant purpose has not commenced on the acquired land; or (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 | £0 £0 |
| 4(a) | Total CIL receipts for the reported year | £4,016,475.59 |
| 4(b) | Total CIL expenditure for the reported year | £48,158.00 |
| 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 | IBP/194 Enhancements to the Lavant Biodiversity Opportunity Area; IBP/196 Brandy Hole Copse, provision of wheelchair accessible paths and floating islands on the ponds |
| 4(c)(ii) | Amount of CIL expenditure on each item | IBP/194 £39,500; |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|-------------------------------|-----------|---|------------|------------------------------|------------|---|-----------|----------------------|-----------|-------------|-------------|----------------|------------|----------------------|------------|---------|------------|----------|------------|------------|-----------|-----------------|------------|----------|------------|--------------------|-----------|------------------------------|-----------|----------------|---------|---------|------------|-------------|-------------|--------------|---------|---|
| | | IBP/196 £8,658.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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>Incurring administrative costs</p> <table border="1"> <tr> <td>Exacom annual maintenance fee</td> <td>£5,714.50</td> </tr> <tr> <td>Cost of CIL staff administration including 50% on-costs</td> <td>£37,654.09</td> </tr> <tr> <td>CIL training</td> <td>£388.20</td> </tr> <tr> <td>Legal costs incurred to assist CIL collection</td> <td>£118.37</td> </tr> </table> | Exacom annual maintenance fee | £5,714.50 | Cost of CIL staff administration including 50% on-costs | £37,654.09 | CIL training | £388.20 | Legal costs incurred to assist CIL collection | £118.37 | £43,875.16 (1.1%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exacom annual maintenance fee | £5,714.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cost of CIL staff administration including 50% on-costs | £37,654.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CIL training | £388.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Legal costs incurred to assist CIL collection | £118.37 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4(ca)(i) | <p>Amount of CIL passed to any local council under Regulation 59A or 59B</p> <p>Period 1 April to 30 September 2018</p> <table border="1"> <tr> <td>Boxgrove</td> <td>£1,477.80</td> </tr> <tr> <td>Chichester City</td> <td>£25,118.23</td> </tr> <tr> <td>East Wittering & Bracklesham</td> <td>£68,965.47</td> </tr> <tr> <td>Plaistow & Ifold</td> <td>£4,260.00</td> </tr> <tr> <td>Selsey</td> <td>£2,907.63</td> </tr> <tr> <td>Southbourne</td> <td>£236,735.31</td> </tr> <tr> <td>West Wittering</td> <td>£12,799.14</td> </tr> <tr> <td>Chidham and Hambrook</td> <td>£30,194.04</td> </tr> <tr> <td>Birdham</td> <td>£25,000.00</td> </tr> <tr> <td>Tangmere</td> <td>£17,819.71</td> </tr> <tr> <td>Fishbourne</td> <td>£1,179.63</td> </tr> </table> <p>Period 1 October to 31 March 2019</p> <table border="1"> <tr> <td>Chichester City</td> <td>£39,276.59</td> </tr> <tr> <td>Boxgrove</td> <td>£15,000.00</td> </tr> <tr> <td>Chidham & Hambrook</td> <td>£3,072.29</td> </tr> <tr> <td>East Wittering & Bracklesham</td> <td>£2,819.45</td> </tr> <tr> <td>West Wittering</td> <td>£227.56</td> </tr> <tr> <td>Birdham</td> <td>£43,873.94</td> </tr> <tr> <td>Southbourne</td> <td>£165,546.84</td> </tr> <tr> <td>Westhampnett</td> <td>£43,300</td> </tr> </table> <p>Please note that £750.00 was passed to Westhampnett Parish Council on 9 May 2019, which related to an underpayment (caused by a software coding error), that the parish council should have received for the period 1 October 2017 to 31 March 2018. This will be recorded in next year's AMR</p> | Boxgrove | £1,477.80 | Chichester City | £25,118.23 | East Wittering & Bracklesham | £68,965.47 | Plaistow & Ifold | £4,260.00 | Selsey | £2,907.63 | Southbourne | £236,735.31 | West Wittering | £12,799.14 | Chidham and Hambrook | £30,194.04 | Birdham | £25,000.00 | Tangmere | £17,819.71 | Fishbourne | £1,179.63 | Chichester City | £39,276.59 | Boxgrove | £15,000.00 | Chidham & Hambrook | £3,072.29 | East Wittering & Bracklesham | £2,819.45 | West Wittering | £227.56 | Birdham | £43,873.94 | Southbourne | £165,546.84 | Westhampnett | £43,300 | £739,573.63 Issued to Town/Parish Councils in respect of monies collected between 1 st April 2018 and 31 March 2019 |
| Boxgrove | £1,477.80 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chichester City | £25,118.23 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| East Wittering & Bracklesham | £68,965.47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Plaistow & Ifold | £4,260.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Selsey | £2,907.63 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Southbourne | £236,735.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| West Wittering | £12,799.14 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chidham and Hambrook | £30,194.04 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Birdham | £25,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tangmere | £17,819.71 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fishbourne | £1,179.63 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chichester City | £39,276.59 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Boxgrove | £15,000.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Chidham & Hambrook | £3,072.29 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| East Wittering & Bracklesham | £2,819.45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| West Wittering | £227.56 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Birdham | £43,873.94 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Southbourne | £165,546.84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Westhampnett | £43,300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 | £3,271,388.73 Amount left after deductions have been made for CIL admin, and amounts handed to local councils. Includes interest earned |
| 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 | £2,563,104.51 Amount as of 1 April 2018 less project spend. Includes Interest earned |
| 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 2018 and 31 March 2019, a total of 125 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 £539,332. 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. Table 8 shows that the sum of £1,664,005 was secured for Highways England for A27 improvements during the monitoring period. The total sum of contributions secured for Highways England via S106 Agreements to date in relation to the A27 amounts to £4,582,599.57.

6.9 Table 8 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 8: Financial contributions by infrastructure category secured via S106 agreements including unilateral undertakings 2018-2019

| To Chichester District Council | Number of planning permissions contributing | Payments Due |
|---|--|---------------------|
| Affordable Housing | 5 | £152,540 |
| Chichester Harbour (on behalf of Bird Aware Solent) | 55 | £304,124 |
| Pagham Harbour | 18 | £82,668 |
| CDC Total | | £539,332 |
| To WSCC | | |
| Cycle Improvements | 2 | £83,000 |
| Footpath Improvements | 1 | £50,000 |
| Highways Improvements | 1 | £10,000 |
| Bus Services & RTPI Boards | 2 | £416,000 |
| TRO | 1 | £14,600 |
| Education (The developer can elect to pay the contribution or build the facility on site) | 1 | £8,000,000 |
| WSCC Total | | £8,573,600 |

| | | |
|---|---|------------|
| To Highways England (Following completion of S278 agreement) | | |
| A27 | 5 | £1,664,005 |

6.10 Table 9 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.

Table 9: S106 agreements signed with financial contributions and non-financial contributions secured 2018-2019

| Application number | Site | Development | Financial contribution to CDC | Financial contribution to WSCC | S278 to secure Financial Contribution to Highways England | Non - financial contribution |
|--------------------|--|---|-------------------------------|--------------------------------|---|------------------------------|
| 98/02043/OUT | Warrendell Adjacent To Centurion Way Off, Plainwood Close, Chichester, West Sussex | 21 Residential Dwellings | Yes | No | No | Yes |
| 14/04301/OUT | Land West Of Centurion Way And West Of Old Broyle Road, Chichester, West Sussex, PO19 3PH | Up to 750 Residential Dwellings, Retail, Employment & Education provision | Yes | Yes | Yes | Yes |
| 15/03367/FUL | Land On The East Side Of Plaistow Road, Plaistow Road, Kirdford, West Sussex | 54 Residential Dwellings | Yes | No | No | Yes |
| 16/03791/OUT | Phase 2 Of The Westhampnett/North East Chichester SDL, Land North East Of Graylingwell Park, Chichester, West Sussex | Up to 200 Residential Dwellings | Yes | Yes | Yes | Yes |
| 16/04132/OUT | Greenacre Nursery , Main Road, Chidham, PO18 8TP | 10 Residential Dwellings | Yes | No | No | Yes |
| 17/01287/FUL | 49-51 Fishbourne Road East, Chichester, West Sussex, PO19 3HZ | 37 Residential Dwellings | Yes | No | No | Yes |

| | | | | | | |
|--------------|---|--------------------------------|-----|-----|-----|-----|
| 17/02581/FUL | Land West Of Maddoxwood Cottage , Lavant Road, Chichester, PO19 5RD | 10 Residential Dwellings | Yes | Yes | No | Yes |
| 17/03117/FUL | Land West Of, Frederick Road, Chichester, West Sussex | 25 Residential Dwellings | Yes | Yes | Yes | Yes |
| 17/03148/FUL | Land North Of Highgrove Farm, Main Road, Bosham, West Sussex | 50 Residential Dwellings | Yes | No | Yes | Yes |
| 18/00696/FUL | Land West Of Abbots Close, Priors Acre, Boxgrove, West Sussex | 22 Residential dwellings | Yes | No | No | Yes |
| 18/00753/OUT | South Downs Holiday Village, Bracklesham Lane, Bracklesham Bay, Chichester, West Sussex, PO20 8JE | Up to 85 Residential Dwellings | Yes | Yes | Yes | 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 and 26 provides details regarding the expectations of LPAs to co-operate on strategic issues and highlights the benefits of joint working, 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. The Council engaged extensively with West Sussex County Council, SDNP Authority, neighbouring local authorities, statutory bodies including Environment Agency, Natural England and Highways England as well as key infrastructure providers during the preparation of the current adopted Local Plan and continues 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.

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

- 7.7. 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 into a partnership with the other local planning authorities around the Solent to deliver a strategic mitigation package.

7.8. 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.

7.9. Implementation of these measures and monitoring of their effectiveness is 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.

7.10. The Bird Aware Solent project was awarded the RTPi South East Award for Planning Excellence in November 2018. The long term strategy was commended for resulting in the successful protection of overwintering birds whilst allowing continued residential development and open access to the coastline for visitors.

Coastal West Sussex

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. Strategic planning is the remit of the Coastal West Sussex and Greater Brighton Strategic Planning Board and is detailed at 3.7 to 3.12 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 gypsy and traveller needs.

Other Collaborative Working Projects

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 and wastewater issues and working with the wider Partnership for South Hampshire (PfSH) in relation to nitrates.

7.14. Chichester and Arun District Councils have put in place a Strategic Scheme of Access Management and Mitigation or SAMM for Pagham Harbour SPA. It is similar in principle to the Bird Aware Scheme in that it is funded in-perpetuity through s106 contributions and is delivered through wardening within the SPA, through the RSPB as site managers, as well as a wider programme of education and awareness-raising.

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 10, the additional employment floorspace (B1-B8 uses) completed in 2018-19 totalled 22,775.8 sq.m (gross) or 20,101.8 sq.m (net). The majority of the new floorspace was provided for B1 Mixed Uses, with completions at Portfield Quarry (Glenmore Business Park) totalling 9,967 sq.m (net) additional floorspace. Overall a total of 93,980.1 sq.m gross (60,834.8sq.m net) has been completed in the Local Plan area over the period 2012-2019. It should be noted that the data from WSCC records economic activity on existing and newly developed employment sites and excludes data on losses of employment sites to other uses.

Table 10: Employment floorspace developed by type 2012-2019 (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 | 1,276 | 21,777 | 29,416.3 |
| 2018-19 | 2704.3 | 0 | 5282 | 9,967 | 2,137 | 2,685.5 | 22,775.8 |
| Total 2012-2019 | 10,448.6 | 150 | 11,748 | 23,369 | 8,467 | 39,797.5 | 93,980.1 |

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 | 5,238.5 | 0 | 243 | 0 | 1276 | 172 | 6,929.5 |
| 2018-19 | 1,942.3 | 0 | 5,030 | 9,967 | 447 | 2,685.5 | 20,101.8 |
| Total 2012- 2019 | 8,170.8 | 0 | 7,294 | 23,369 | 4,298 | 17,672.5 | 60,834.8 |

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 11 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 slightly under 25 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, development at Glenmore Business Park progressed, with 43 units completed 2018-2019. In Ellis Square, Selsey, 680 sq. m of B1 Office space has also been completed.

Table 11: 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 - Shopwyke Strategic Development Location. At start of Local Plan period, site already had outline planning permission for 17,468 sq.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. Construction now underway with 4,569 sq.m completed but unoccupied. 17/00975/FUL granted July 2017 comprising full planning permission for 5,398 sq.m floorspace for B1/B2/B8 uses (0.9ha). Full 5,398 sq.m completed but unoccupied. | 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. Development not yet started. 17/02137/FUL permitted Sept 17 for B1 office | 1.96 |

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) |
|---|--|----------------------|--|---|
| | | | building, access, car parking and landscaping (0.24ha). Development completed but unoccupied. | |
| 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 | | 8.33 | | 5.05 |
| 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) | New land allocated in addition to 1.7 hectares carried forward from Chichester District Local Plan 1999. Suitable for B1-B8 | 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 | 1.0 |

| Location | Comments | Site area (hectares) | Development progress | Remaining area not yet developed (hectares) |
|---|---|----------------------|--|---|
| (Policy 19) | uses. | | September 2016 for 4,013sq.m flexible B1(c) and/or B8 uses with ancillary office space (16/02035/FUL). Development complete but not occupied. | |
| 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 | Proposed for B1, B2 and B8 employment uses on 3.8 ha within overall site area of 4.8 ha | 3.8 | Hybrid permission (14/04284/OUT) granted July 2016 for allocated site (3.8 ha) including outline permission for B2/B8/ Trade uses | 3.8 |

| Location | Comments | Site area (hectares) | Development progress | Remaining area not yet developed (hectares) |
|--|--|-----------------------------|--|--|
| (Policy CC8) | (allowing remaining 1 ha to be developed for waste uses as identified in West Sussex Waste Local Plan 2014). | | (7,830sq.m) and 2 ancillary roadside catering units (420sq.m), and detailed permission for a discount food retail unit (2,431sq.m). Development not yet started. | |
| Springfield Park (adjacent to Fuel Depot) (Policy CC9) | Proposed for B1, B2 and B8 employment uses. | 2.2 | Outline planning application (18/01365/OUT) for redevelopment of site for 9,240 sq.m B1/B2/B8 permitted February 2019. | 2.2 |
| Total | | 7.49 | | 7.07 |
| Grand Total | | 24.62 | | 19.12 |

Key Indicator: E2

Amount of large scale glasshouse developments permitted

8.6 In the monitoring year, the Council received two planning applications in relation to horticultural development for glasshouses. The first application was by a horticultural nursery for the erection of a glasshouse within the Sidlesham Horticultural Development Area. The site area was 0.4 hectares and the consent was granted on 22nd June 2018. The second application was by a large horticultural food producer already located within the Runcton Horticultural Development Area where the applicant sought an extension to an existing horticultural packhouse. The application was for 0.75 hectares of floorspace for a packing area, together with loading bays in addition to the existing site area of approximately 3 hectares. Permission was granted on the 21 December 2018.

Key Indicator: E3

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

8.7 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.

8.8 The primary and secondary shopping frontages in Chichester shopping centre were surveyed during the monitoring period in June, September and December 2018 and in March 2019. The results were as follows:

Table 12: Primary and Secondary Shopping Frontages non-shopping uses in Chichester

| Survey Month | % Primary Shopping Frontage in non-shopping uses | % Secondary Shopping Frontage in non-shopping uses | % Increase or Decrease in Primary Frontage non-shopping uses | % Increase or Decrease in Secondary Frontage non-shopping uses |
|---------------------|---|---|---|---|
| June 2018 | 25.52 | 53.52 | +0.94 | -0.4 |
| September 2018 | 25.59 | 54.01 | +0.07 | +0.49 |
| December 2018 | 25.43 | 53.97 | -0.16 | -0.04 |
| March 2019 | 25.43 | 53.38 | 0 | -0.59 |

8.9 The monitoring results in Table 12 show that the percentage of secondary shopping frontages in Chichester shopping centre that are in non-shopping uses is currently in accordance with Policy 27 of the Chichester Local Plan. Whilst the percentage of primary shopping frontages in non-shopping uses slightly exceeded the 25% limit specified by the Local Plan policy 27, the Monitoring Framework triggers a review of policy when either target is exceeded by 10%.

Housing and Neighbourhoods

Key Indicator: H1

New homes built each year (net)

8.10 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.

8.11 Housing completions in the Chichester Local Plan area over the year to 31 March 2019 totalled the equivalent of 654 net dwellings as shown in Table 13. In accordance with national planning guidance, this figure includes a small allowance for new communal housing built for students and older persons. This figure is above the Local Plan requirement and is the fourth successive year that housing completions have exceeded the Plan housing target. The average rate of housing delivery since 1 April 2012 is now only marginally below the Local Plan requirement, with a cumulative housing delivery shortfall of just 28 net dwellings.

Table 13: Net additional dwellings completed 2012-2019 (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 |
| 2018/19 | 435 | 654 | +219 |
| Total 2012-2019 | 3,045 | 3,017 | -28 |
| Average per year | 435 | 431 | -4 |

8.12 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 four 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 year.

8.13 The NPPF sets a requirement to maintain a five year supply of deliverable housing sites. The Five Year Housing Land Supply as at 1st April 2019 was published at the start of December and identifies a surplus of net dwellings to meet the requirement of the adopted Local Plan equivalent to 5.5 years of housing supply.

Key Indicator: H2

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

8.14 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 14 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 495 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.

8.15 However, as shown in Table 15, considerable progress is being made towards future housing delivery on the majority of the strategic sites. Of the SDLs, development of 398 dwellings is under construction at Shopwyke Lakes, with the remainder of the allocation of 500 dwellings having outline permission. Following Local Plan adoption, outline permission for a further 85 dwellings was granted, totalling 585 dwellings on site. Development of 300 dwellings has commenced between Stane Street and Madgwick Lane, Westhampnett; 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) was permitted under application number 14/04301/OUT in April 2018. Approval of reserved matters in respect of appearance, landscaping, layout and scale including consent being sought for primary road, primary surface drainage and primary utilities routing and SANGs land incorporating Western Green Link, Central Green Link and Country Park was granted in Dec 2018 (ref: 18/01587/REM). Reserved matters for 73 dwellings were permitted in October 2019 (ref: 19/01134/REM) with further reserved matters for 91 dwellings being permitted in November 2019 (ref: 19/01531/REM). The Council is working with the landowners and developers to facilitate the Tangmere strategic site in accordance with Local Plan and neighbourhood plan policies. As part of this, the Council has now selected a development partner and is progressing a Compulsory Purchase Order (CPO) to ensure delivery of the development.

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

Table 14: Net housing completions on strategic sites to 31 March 2019

| Location | Local Plan policy | No. of homes planned to 2029 | Net housing completions 2018/19 | 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 |
| Shopwyke | Policy 16 | 500 | 66 | 144 | 356 |
| Westhampnett/ North East Chichester | Policy 17 | 500 | 2 | 2 | 498 |
| Tangmere | Policy 18 | 1,000 | 0 | 0 | 1,000 |

| Location | Local Plan policy | No. of homes planned to 2029 | Net housing completions 2018/19 | Total net completions since 1 April 2012 | Remaining housing yet to be delivered |
|--|-------------------|------------------------------|---------------------------------|--|---------------------------------------|
| SDL total | | 3,250 | 68 | 146 | 3,104 |
| Settlement Hubs | | | | | |
| Southbourne (village) | Policy 20 | 300 | 87 | 120 | 180 |
| Selsey | Policy 23 | 150 | 3 | 110 | 40 ¹ |
| East Wittering/ Bracklesham | Policy 24 | 180 | 43 | 119 | 61 |
| Settlement Hubs total | | 630 | 133 | 349 | 281 |
| Total | | 3,880 | 201 | 495 | 3,385 |
| ¹ Previously covered by lapsed outline permission for 139 dwellings. Permission for 193 dwellings granted on site post 31 March 19. | | | | | |

Table 15: 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 |
| Shopwyke | 398 | 0 | 187 ¹ | 0 |
| Westhampnett/ North East Chichester | 300 | 0 | 200 | 0 |
| Tangmere | 0 | 0 | 0 | 1,000 |
| SDL total | 698 | 0 | 1,137 | 1,500 |
| Settlement Hubs | | | | |
| Southbourne (village) | 180 | 0 | 0 | 0 |
| Selsey | 0 | 0 | 0 | 40 ² |
| East Wittering/ | 61 | 0 | 0 | 0 |

| 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 |
|---|--|--|---|---|
| Bracklesham Settlement Hubs total | 241 | 0 | 0 | 40 |
| Total | 1,609 | 0 | 1,137 | 1,540 |
| <p>¹ Includes outline planning permission for 85 additional dwellings bringing the total planning housing at Shopwyke SDL to 585 dwellings. The additional 85 dwellings are also counted towards the parish requirement for Chichester under Indicator H3.</p> <p>² Previously covered by lapsed outline permission for 139 dwellings. Permission for 193 dwellings granted on site post 31 March 19.</p> | | | | |

Key Indicator: H3

New homes built each year (net) by Parish

8.17 Table 16 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 2019, a total of 314 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 882 net dwellings, with a total of 212 dwellings remaining to be delivered².

8.18 As shown in Table 17, a further 251 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 (adopted in January 2019) identifies sites to meet the outstanding requirement in Bosham, Hunston and Plaistow & Ifold parishes. However, no suitable site has yet been identified to meet the Local Plan requirement for 10 dwellings in Lynchmere parish.

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

Table 16: Parish net housing completions to 31 March 2019

| Parish | Number of homes planned to 2029 | Net housing completions 2018/19 | Total net completions since 1 April 2012 | Remaining parish housing yet to be delivered |
|---|--|--|---|---|
| <i>East-West Corridor</i> | | | | |
| Bosham | 50 | 6 | 10 | 40 |
| Boxgrove | 25 | 1 | 4 | 21 |
| Chichester city | 235 ¹ | 142 | 243 | 0 |
| Chidham & Hambrook | 25 | 19 | 111 | 0 |
| Fishbourne | 50 | 3 | 53 | 0 |
| Southbourne (excl village) | 50 | 46 | 62 | 0 |
| Westbourne | 25 | 3 | 20 | 5 |
| E-W Corridor total | 460 | 220 | 503 | 66 |
| <i>Manhood Peninsula</i> | | | | |
| Birdham | 50 | 5 | 37 | 13 |
| Donnington | 50 | 23 | 139 | 0 |
| Hunston | 25 | 4 | 23 | 2 |
| North Mundham | 25 | 3 | 52 | 0 |
| West Wittering | 50 | -1 | 50 | 0 |
| Manhood Peninsula total | 200 | 34 | 301 | 15 |
| <i>Plan Area (North)</i> | | | | |
| Kirdford | 60 | 1 | 1 | 59 |
| Loxwood | 60 | 35 | 45 | 15 |
| Lynchmere | 10 | 0 | 0 | 10 |
| Plaistow & Ifold | 10 | 13 | 19 | 0 |
| Wisborough Green | 60 | 11 | 13 | 47 |
| Plan Area (North) total | 200 | 60 | 78 | 131 |
| Parish housing total | 860 | 314 | 882 | 212 |
| 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 17: 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 | 4 | 15 | 0 | 50 | 69 |
| Boxgrove | 24 | 6 | 0 | 7 | 37 |
| Chichester city | 105 | 311 | 218 | 0 | 634 |
| Chidham & Hambrook | 12 | 34 | 0 | 0 | 46 |
| Fishbourne | 8 | 10 | 0 | 15 | 33 |
| Southbourne (excl village) | 22 | 38 | 0 | 0 | 60 |
| Westbourne | 2 | 4 | 0 | 12 | 18 |
| E-W Corridor total | 177 | 418 | 218 | 84 | 897 |
| <i>Manhood Peninsula</i> | | | | | |
| Birdham | 30 | 30 | 0 | 0 | 60 |
| Donnington | 0 | 2 | 0 | 0 | 2 |
| Hunston | 0 | 9 | 0 | 7 | 16 |
| North Mundham | 1 | 3 | 0 | 0 | 4 |
| West Wittering | 10 | 19 | 1 | 0 | 30 |
| Manhood Peninsula total | 41 | 63 | 1 | 7 | 112 |
| <i>Plan Area (North)</i> | | | | | |
| Kirdford | 0 | 0 | 0 | 60 | 60 |
| Loxwood | 3 | 7 | 0 | 17 | 27 |
| Lynchmere | 1 | 0 | 0 | 0 | 1 |
| Plaistow & | 6 | 8 | 4 | 10 | 28 |

| | | | | | |
|-------------------------|-----|-----|-----|-----|-------|
| Ifold | | | | | |
| Wisborough Green | 23 | 23 | 0 | 11 | 57 |
| Plan Area (North) total | 33 | 38 | 4 | 98 | 173 |
| Parish housing total | 251 | 519 | 223 | 189 | 1,182 |

Key Indicator: H4

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

8.19 The Chichester Local Plan housing provision figure included 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 18 shows that actual recorded net completions on sites of less than 6 dwellings since 1 April 2012 have averaged 60 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 18: Net dwellings completed on sites of less than 6 dwellings 2012-2019 (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 |
| 2018/19 | 42 | 14 | 15 | 71 |
| Total 2012-2019 | 268 | 110 | 43 | 421 |
| Average per year | 38 | 16 | 6 | 60 |

Key Indicator: H5

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

8.20 Tables 19 and 20 show gross and net affordable housing completions in the Local Plan area as reported by West Sussex County Council (WSSCC). During 2018-2019, affordable housing completions totalled 145 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).

8.21 With no completions on rural exception sites during the year, the net total of 145 affordable dwellings delivered in 2018/19 represents around 24% of total net completions which is below the Local Plan target. However, in the Local Plan period to date since 1 April 2012, a net total of 830 affordable dwellings have been built representing around 30% of all net dwellings completed.

Table 19: Gross affordable housing completions as a percentage of total housing completions 2012-2019 (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% |
| 2018/19 | 640 | 145 | 145 | 22.66% |

| Monitoring year | Total completions (gross) | Affordable housing completions (gross) | Affordable housing completions excluding rural exception sites (gross) | Percentage (%) |
|------------------------|----------------------------------|---|---|-----------------------|
| Total 2012-2019 | 3303 | 985 | 992 | 29.82% |

Table 20: Net affordable housing completions as a percentage of total housing completions 2012-2019 (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% |
| 2018/19 | 597 | 145 | 145 | 24.29% |
| Total 2012-2019 | 2960 | 892 | 830 | 30.14% |

8.22 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. A new Housing Strategy is currently being developed and the current targets will be reviewed accordingly.

8.23 Table 21 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 that the registered providers give as handover dates. 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 21: Affordable housing completions 2012-2019 (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 | 144 | 0 | 21 | 165 |
| 2018-19 | 151 | 0 | 46 | 171 |
| Total 2012-2018 | 656 | 58 | 192 | 906 |

8.24 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 Shopwyke Lakes, Stoney Lodge North Mundham, Meadow Way Tangmere, Loveders Farm Southbourne, Loxwood Nursery and Flatt Farm Chidham.

Tenure mix of affordable housing

8.25 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.

8.26 Table 22 shows that in the monitoring year to 31 March 2019, 67% of affordable housing completions were affordable rented with 33% 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 may increase marginally due to the July 2018 NPPF expectation that at least 10% of homes on major development sites are available for affordable home ownership.

Table 22: Tenure mix of affordable housing completions 2018-2019 (Source: CDC Housing Delivery Team)

| | Affordable/ social rented | Intermediate housing | Total |
|--|--------------------------------------|---------------------------------|--------------|
| Affordable housing mix - SHMA policy target | 70% | 30% | 100% |
| Affordable housing completions 2018/19 (gross) | 114 | 57 | 171 |
| % of total affordable housing completed | 66% | 33% | 100% |

Key Indicator: H6

Net additional Gypsy, traveller and travelling showpeople pitches and plots granted planning permission each year

8.27 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. 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.

8.28 During the monitoring period, 2 sites were granted permanent planning permission for 2 Gypsy and traveller pitches. A total of 60 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 2019 (end date of this monitoring period). It should be noted that since March 2019, a further 8 pitches have been granted permanent planning permission.

Table 23: 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 monitoring period | 0 |
| Net additional pitches in monitoring period | 2 |
| Total number pitches granted permanent planning permission between September 2012 and March 2019 | 60 |

8.29 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 2019 (end date of this monitoring period).

Table 24: 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 2019 | 17 |

Environment

8.30 The data for the key indicators EN1 and EN6 covers the whole of Chichester District, including the SDNP where indicated. 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.

8.31 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.

8.32 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.

8.33 The Sussex Biodiversity Record Centre (SBRC) provides information on the condition of Sites of Special Scientific Interest (SSSI) based on condition assessment undertaken by Natural England. Figures 1 and 2 show the condition of SSSI units in Chichester District (including the SDNP) and West Sussex as a whole.

8.34 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 51.4%. Of the SSSI units in the District assessed as being in unfavourable condition, 84 are categorised as recovering against only 3 assessed to be declining, with 18 units showing no change. Parts of the Chichester Harbour SSSI were reclassified from unfavourable recovering to unfavourable no change in February 2019. Overall 90.3% of the SSSI area is in favourable or recovering condition, falling slightly short of achieving the Natural England target of 95%. The District Council is working closely with Natural England and other partners including the Chichester Water Quality Group to determine the best way to address this, both through planning policy and when considering planning applications.

Figure 1: Chichester District SSSI Unit Condition (Source: SBRC)

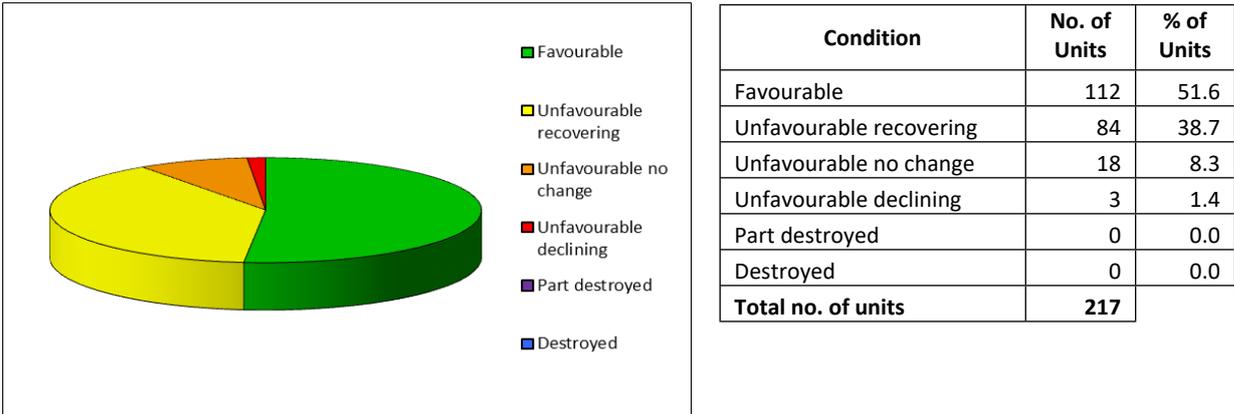
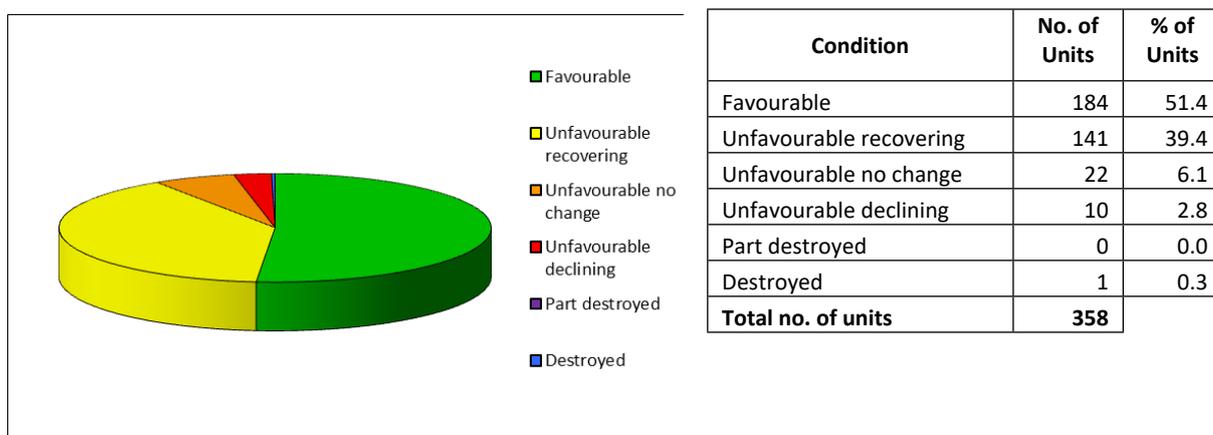


Figure 2: West Sussex SSSI Unit Condition (Source: SBRC)



Key Indicator: EN2

Preparation of Green Infrastructure Strategy by 2014

8.35 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.”

8.36 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.

8.37 The overarching Green Infrastructure Delivery Document is available on the Council’s website (<https://www.chichester.gov.uk/article/29757/Supplementary-planning-documents-and-policy-guidance>) 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.

8.38 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.

8.39 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

8.40 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. The survey was repeated in Winter 2018/19, using the same methodology and survey routes.

8.41 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. In 2016/17 an average of 139 vehicles was counted per survey event, which equated to 0.16 vehicles per parking space. In winter 2018/19 the average number of vehicles counted per survey event increased to 267.5, or 0.30 vehicles per parking space.

8.42 The car park surveys also included vantage point surveys which looked at the number of people on the coast at 6 of the 18 car parks on route 6, and what activities they were undertaking. The main activities recorded were walking and dog walking (69% of observed activity in 16/17, and 72% in 18/19).

- 8.43 The second survey shows a considerable increase over the baseline year of 16/17 with a 92% in the mean count per survey event. However, it should be noted that the count on 24/02/19 was much higher than any other survey (1,283 vehicles counted), though this may be explained by this date falling at the end of half term when higher than average temperatures for this time of year were being enjoyed. Excluding this event, the average from the other 11 surveys is 175 vehicles per survey event. This is still a 26% increase from 16/17. With only two surveys so far, a long term trend is still to emerge. The surveys will be re-run using the same routes in Winter 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.

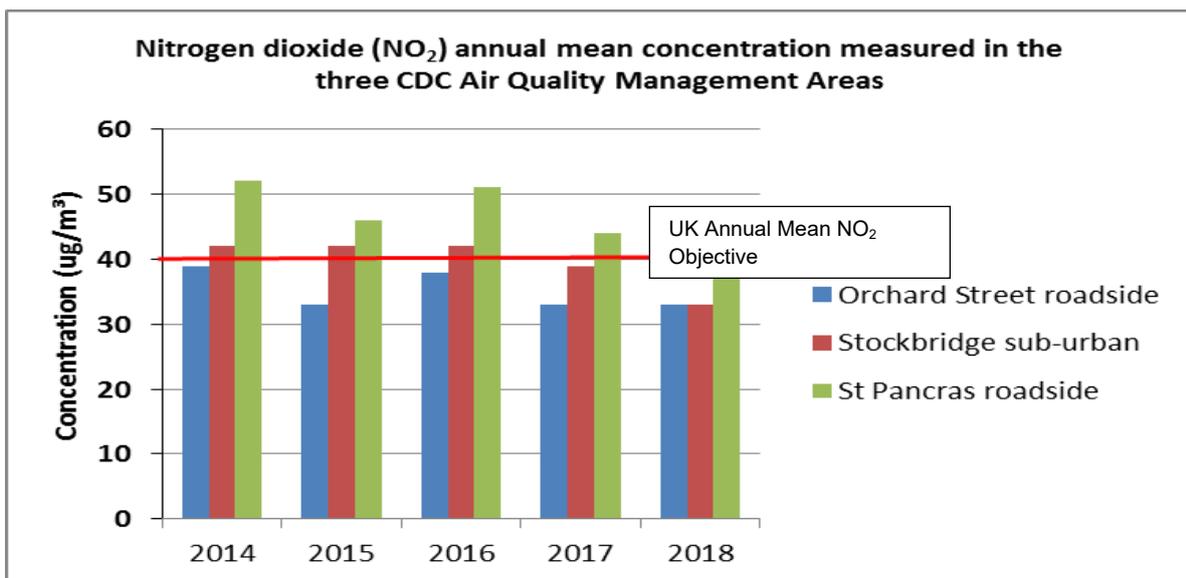
Key Indicator: EN4

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 3 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 $33\mu\text{g}/\text{m}^3$, $39\mu\text{g}/\text{m}^3$ and $44\mu\text{g}/\text{m}^3$, respectively, in 2017. In 2018 the annual mean concentration was $33\mu\text{g}/\text{m}^3$, $33\mu\text{g}/\text{m}^3$, and $45\mu\text{g}/\text{m}^3$. This shows that levels have stayed the same or decreased in two of the AQMAs and increased slightly within one AQMA (ie stayed the same within Orchard Street, reduced by $6\mu\text{g}/\text{m}^3$ within Stockbridge and increased by $1\mu\text{g}/\text{m}^3$ within St Pancras). It is noted that in 2018 the air quality limit for nitrogen dioxide within the St Pancras AQMA was above the UK annual mean nitrogen dioxide objective level.

Figure 3: 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 programme 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 although 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 25 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 2017 in June 2019. There is a two year time lag in terms of the Department for Business, Energy and Industrial Strategy reporting carbon emissions data. The most recent publication shows the per capita local CO₂ emission estimates in the industry and commercial, domestic and transport sectors for the years 2005 to 2017. Of particular note is the trend in falling domestic carbon emissions and rising transport emissions over the period. However, the overall totals show that whilst carbon emission

levels rose slightly between 2014 and 2015, there has been an overall decline in carbon emissions in Chichester District since 2015.

Table 25: Carbon emissions estimate (kilotonnes CO₂) (Source: Department for Business, Energy and Industrial Strategy)

| Year | Industry and Commercial | Domestic | Transport | Total |
|------|-------------------------|----------|-----------|-------|
| 2014 | 269.7 | 245.3 | 300.5 | 697.7 |
| 2015 | 287.8 | 236.1 | 309.0 | 712.3 |
| 2016 | 267.1 | 223.8 | 319.0 | 690.4 |
| 2017 | 259.4 | 207.8 | 318.3 | 664.0 |

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, any initial objections made by the Environment Agency were addressed through Flood Risk Assessments and/or incorporating their recommended conditions into planning decisions. 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.

Key Indicator: S2

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

8.57 In the monitoring year, objections made by the Environment Agency were usually addressed through incorporating their recommended conditions into planning decisions. However, The Council granted permission on one application for the discharge of conditions contrary to the advice of the Environment Agency and details of this application are detailed below.

Table 26: Planning applications where the EA has objected on water quality grounds

| Application Number and Location | Description | EA Objection Reason | Council Decision |
|---|--|---|--|
| <p>19/00223/DOC</p> <p>Leggatts Farm, Old Park Lane, Fishbourne</p> | <p>Discharge of Conditions 3&4 of Planning Permission 18/02473/FUL</p> | <p>In March 2019, the EA notified CDC that they were unable to recommend the discharge of condition 3 on the grounds that details of the pollution prevention measures had not been provided.</p> | <p>Details as per the site layout plan, received and held on file were considered acceptable in regard to the development permitted. An increase of impermeable surfacing was not proposed by the application and therefore the current drainage practices were considered acceptable. The submitted details were approved and condition 3 discharged in so far as the need to submit information to the Local Planning Authority and subject to the development being carried out in accordance with the approved details.</p> <p>Discharge date: 21st March 2019.</p> |

9 Appendix

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

The following section sets out monitoring information as provided by Parish Councils.

Monitoring Report
Made Neighbourhood Plans (1 April 2018 to 31 March 2019)
Birdham Neighbourhood Plan

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 2018 to 31 March 2019 significant events occurring since 31 March 2019 are also noted.

Background

The neighbourhood plan 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 |
|---|-----------------|
| HERITAGE | |
| Protection & Enhancement Protect and enhance the Parish’s heritage for the benefit of tourists, existing residents and education of future generations. | 1 - 2 |
| ENVIRONMENT | |
| Conservation & Enhancement Conserve and enhance important ecological sites and links, including hedgerows, ditches and key species in these habitats. | 3 - 6 |

| | |
|--|----------------|
| COMMUNITY & LEISURE | |
| <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 |
| TRANSPORT | |
| <p>Infrastructure Improve existing sustainable transport connections to and within the Parish, including public transport and access across major roads.</p> | 9 |
| <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> | 10 - 11 |
| HOUSING | |
| <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> | 12 - 15 |
| <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> | 16 |
| <p>Housing Need Ensure that the mix of housing types and supply of social and affordable housing meets the needs of the Parish.</p> | 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

The Manhood Wildlife and Heritage Group, together with the Chairman of the Parish Council, have designed, and printed leaflets which detail an interesting walk through the Parish.

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.

Environment

Together with the Manhood Wildlife and Heritage Group, substantial works have been carried out to improve Kingfisher, Triangle and Village Green Ponds. The Parish Council has agreed a 3-year contract with the Group to provide maintenance of these ponds.

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 proposals 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 well advanced |
| 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 | Building under way |

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, 34 under construction and technical starts made on 15, the indicative number of 50 will easily be met. Please note that these houses are meant to be sufficient to last until 2029.

“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. The appeal stated that the site should be vacated by 2nd August 2018 and reinstated to its original condition by 2 November 2018. A year after this date, there is no indication that this site will ever revert to its original state. This cannot be considered a satisfactory state of affairs, and is not a good reflection on the planning system.

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 | Parish | Ongoing |

| | | | | |
|------------|-----------------------|---|-------------------------|---------|
| | | crossing(s) on A286 | Council | |
| 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 |

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.

BOSHAM PARISH NEIGHBOURHOOD PLAN

Monitoring Report

In January 2019 application 17/03148/FUL was granted for the construction of 50 dwellings, landscaping, associated works and access from the A259 on Land North of Highgrove Farm, Main Road, Bosham, West Sussex. This start of this development has been delayed while the agents consider the whole site for 300 in line with the proposed housing allocation of 250 in the draft review of the Local Plan.

1. Policy 9

- 1.1. Local residents group, the Bosham Association (BA), continued to explore the case for introducing a 20mph scheme throughout all the residential areas in Bosham by consulting the whole village.
- 1.2. The School provided the village with a well thought out presentation of the risks and problems with travelling to school and home at the Parish meeting. Whilst the children were able to present some excellent arguments and illustrations for the need and desire to change pedestrian and vehicle habits, there was no quantitative data to support the need for a pedestrian crossing over the A259.

2. Infrastructure

- 2.1. WSCC installed drop kerbs in Delling Lane at the Berkley Arms and Green Lane crossing points.
- 2.2. The Hedge project made good progress in replanting on the North of the A259

3. Monitoring and review

- 3.1 Progress is monitored by the full Parish Council at its monthly meetings.

Chidham & Hambrook Neighbourhood Plan

Monitoring Report to 31 March 2019

Report Period: This report covers the period between 1 April 2018 and 31 March 2019.

1. The Chidham & Hambrook Neighbourhood Plan continues to prove a useful document over the last 12 months, being referred to in a number of planning applications with emphasis in environmental protection. (Action Point 5).
2. The first of two new open spaces identified within the plan known as Hawthorne Meadow, has now been transferred into 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 will be incorporated within the second open space with more detailed planning now also underway. (Action Point 12).
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 several made reference to the Neighbourhood Plan as a guiding document. During the committee's review of each application where necessary (especially in applications for a number of dwellings), the committee made reference to the relevant sections of the Neighbourhood Plan.
4. 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. (Action Point 12).
5. Although the parish plan looks to favour the application of affordable homes and this continues to be supported by the community, no applications have come forward over the past twelve months. (Action Point 2 & 3).
6. Discussions in line with the parish plan regarding health facilities, schools and other amenities have been entered into with the District Council, County Council and CCG. (Action Point 6).
7. In line with the parish plan, decisions are being taken for new street lighting that will have limited energy consumption and reduced light pollution. (Action Point 9).
8. Meetings have been held, in line with the parish plan, with Highways England and West Sussex County Council to improve road safety while encouraging cycling and walking within the parish. (Action Point 7 & 8).

9. The recreation area, now owned by the Parish Council, continues to be maintained by the Parish Council (Action Point 11).
10. Two further dog waste bins to be relocated in the parish (Action Point 22).
11. Planning is underway for both surveying, recording of hedgerows and trees and the planting of more trees within the area of the parish (Action Point 23).
12. The Parish Council is now leading on the formation of a parish environment group (Action Point 26).
13. Delivery of the parish magazine and additional delivery of notifications together with public meetings have increased in frequency over the past twelve months (Action Point 28).
14. The Neighbourhood Plan Steering Group now meets, on average, twice a month for the purpose of creating a revised neighbourhood plan (Action Point 30).

FISHBOURNE NEIGHBOURHOOD PLAN MONITORING REPORT

(1 April 2018 – 31 March 2019)

PROJECTS

1. Housing & Planning

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

The Conservation Character Appraisal carried out by the District Council in 2018 strengthens the NP Policy H1 Heritage Protection.

The Council is monitoring the condition of the Listed Building, The Old Thatched House (formerly Pendrills) in Mill Lane.

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. Unpredictably high rainfall in a short amount of time in August 2018 did result in flooding of the lowest lying areas, but this was unavoidable.

4. Travel and Transport

Policy T1 Sustainable Transport: The Parish Council applied for New Homes Bonus 2018 to build a footpath within the Playing Field adjacent to Blackboy Lane to make it safer for pedestrians who need to walk along the lane itself to access the facilities in the Playing Field (e.g. Fishbourne Centre, pre-school, sports club-houses etc).

Policy T1 Sustainable Transport: The Parish Council applied for a Community Highway Scheme to provide a pavement along the southern part of Blackboy Lane, which would meet the Parish Council's footpath, but this application was unsuccessful. The Council resolved to try again for the 2019 scheme.

FNP Project 7a: Work commenced on a scheme to establish lighting along Emperor Way – part of the Sustrans cycleway/footpath between Chichester City and Fishbourne.

Speed Indicator Devices (Project 7b) are running smoothly thanks to the commitment of the volunteers who change the batteries and move the devices to different locations regularly.

5. A Sense of Community

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

A new Parish Council website was designed with improved accessibility for all. Social media was identified as an area to concentrate on.

Fishbourne Companions – this group, supported by the Parish Council, gives an opportunity for isolated people to come and meet regularly and enjoy stimulating activities.

Work has begun on a Resilience Plan for the village.

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.

Lucy Wright
Parish Clerk

November 2019

Kirdford

Neighbourhood Plan Monitoring Report

General Policies – The general policies in the Neighbourhood 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.

Policy KSS1 - On 30th October, 2019, planning application 19/00086/FUL was permitted without phasing. Kirdford Parish Council had specifically incorporated phasing of the project into its Neighbourhood Plan of 2014, intended to be a mechanism for allowing a cohesive plan to be designed but built in line with local Kirdford Parish needs and ability to supply new residents with required infrastructure. However, the Planning Committee voted against the Neighbourhood Plan in favour of progressing the development without phasing.

The site is the land on the East side of Plaistow Road, Kirdford, which was allocated for residential development in the Kirdford Parish Neighbourhood Development Plan of 2014. The development will consist of 38 market and 16 affordable units, comprised of:

- 6 flats;
- 2 bungalows;
- 17 detached two-storey houses;
- 14 semi-detached two-storey houses;
- 15 terraced two-storey houses.

Neighbourhood Plan Review

Kirdford Parish Council, alongside residents, has undertaken a review of the Neighbourhood Plan over 2019 and has nearly completed the Neighbourhood Plan Review.

Loxwood NP

Monitoring report

1 April 2018 to 31 March 2019.

Note: The Plan was made on the 14 July 2015

General-1

The NP was written before the CDC Local Plan was made and the text of the NP refers to the “emerging” CDC Local Plan. Following a Public Meeting on 9th December 2017 to gauge resident support, the Parish Council have RESOLVED to revise the current neighbourhood Plan to update it in line with the proposed revision of the CDC Local Plan.

That work has now started and will involve updating a number of policies and allocating new sites for development within the parish

General-2

There is no legislation or guidance material that defines the working relationship between a parish and the district council when the parish has a made NP. It is incumbent on both parties to work together to formulate agreement on planning applications and compliance with the policies of the NP. In its last monitoring report to 31st March 2017 (written November 2017) LPC encouraged CDC to develop a procedure for officers and parish councils to ensure each officer and parish council work together in a consistent manner when this situation occurs. To date no such procedure has been defined.

General-3

In a number of instances, the Decision Notice issued by CDC did not cross refer to relevant valid NP policies which are unique to the NP. This precludes the applicant having to comply with the specific policies in the NP. It is essential that when a decision is made which is contrary to parish council observations, a narrative should be supplied addressing the parish council observations and advising all, why they have been overruled.

Policy 1- Housing Allocation

This policy allocates a minimum of 60 houses on allocated and windfall sites within the Settlement Boundary (SB). The Nursery site for 43 houses has now been built out and is fully occupied.

Policy 2- Settlement Boundary (SB)

The SB is defined in figure 6 of the NP. Within the SB, there is a presumption of sustainable development as defined in district and national planning policies.

Policy 3-Sites Assessments and Allocation of Sites

This is an enabling policy and allocates two sites within the SB for development. These sites are defined in policies 4 and 5. The policy requires that any development on allocated and windfall sites must also comply with policies 7, 8,9,10,15,16,17 and 18. LPC's experience with these policies is defined later in the report.

Policy 4- Land at Farm Close

This policy allocates 17 houses at Farm Close. The policy also makes provision for community benefits to include a Community Parkland, additional car parking for the doctor's surgery, community green and a contribution towards traffic calming. Appendix 1 and 2 of the NP define the allocation. The site was granted full planning consent as per appendix 1 and 2 in September 2014. Since planning consent was granted, the site has been sold to another developer who has re-applied for planning for a larger number of units (19 rather than 17). The developer has stated that the site is not viable with 17 houses due to Southern Water's initial requirement for a payment of £500K plus, to facilitate infrastructure improvements to allow connection. This new application reduces the affordable element of the housing from 8 to 6 and increases the open market element by 2 houses. The extent of the development also breaches the Settlement Boundary. The application therefore is not in compliance with policy 4 of the NP. LPC have objected to a recent revised application as it contravenes a number of policies in the NP. Planning consent was refused by CDC in January of this year. The applicant has not appealed the decision and the time limit has expired. No further information is available concerning this allocated site.

Policy 5- Land at Nursery site

This site has now been built out and is fully occupied.

One aspect of the policy which has not worked well is the traffic calming obligations of the policy and those of policy 16, which specifically address traffic calming. Despite the stated safety objectives of both policies, in the view of LPC, the objectives of both these policies have not been met. This, in part, was due to WSCC at the consultation stage, insisting that none of the traffic calming measures requested by LPC could be conditioned in the S106, as they allegedly did not meet national guidance in terms of the defined requirement under the Road Traffic Regulations for the provision of mini roundabouts and pedestrian crossings or did not deliver a perceived safety benefit. It would appear that despite the intent of a policy, national guidance takes precedent over a policy which has been the subject of consultation and a referendum. It is clear that further national NP guidance is necessary to clarify which takes precedent, an NP policy or guidance material issued at district and/or national level.

With hindsight, it would have been better if the traffic calming policies had defined a specific calming measure rather than an objective. This will be corrected in the revision of the NP.

In addition, due to the lack of a formal procedure at CDC Planning for the inclusion of local parish council representation where a NP is in place, agreement with the developer at reserved matters stage resulted in a much reduced level of traffic calming for this development without the agreement of the LPC. This has reduced the ability of LPC to negotiate a suitable level of traffic calming contribution with this developer.

The irony of this experience is that WSCC later agreed that one of the traffic calming measures requested by LPC, a pedestrian crossing, could actually be supported if it were funded locally by LPC. However, LPC's ability to fund this level of traffic calming has been substantially undermined by the prior agreement with the developer as per the above paragraph.

The result of this has been the erection, by the developer, of two Vehicle Activated Signs (at least one of which is sited incorrectly) at either end of the development which in the view of the parish council, perform no function.

The sewer infrastructure for the development does not meet the intent of policy 8 Foul Water. LPC wrote to CDC informing CDC that compliance with planning condition number 10 had not been complied with. The developer had illegally connected to the public sewer network. Enforcement action was taken by CDC under discharge of condition 18/02247/DOC. This only provides for a temporary solution and requires the sewerage to be stored on site and tankered out when the network is at capacity. This has resulted in Southern Water refusing to adopt the Nursery Site sewer infrastructure and as such, it remains a private network.

Policy 6- Local Green Spaces

This policy designates land within the parish as Local Green Spaces. As defined in the NP, it is the intention once the development has been completed to designate the Community Parkland within the Farm Close development as a Local Green Space. This will be done when the NP is next updated.

Policy 7-Street Lighting

This policy requires that any new road built as part of a housing development should not feature street lighting, unless required for health and safety reasons. This will be applicable to the Farm Close and Nursery developments. However, the Nursery site outline planning consent S106 paragraph 12 planning obligations addressed the standard CDC planning constraints with respect to street lighting, and failed to mention policy 7 of the NP.

There was opportunity for LPC to work with the developer and CDC to ensure that compliance with the policy was delivered during reserved matters.

Policy 8 –Foul Water

This policy seeks to ensure that any new connection to the sewer network is only made if sufficient capacity exists in the network and that any new connection does not increase the risk of system backup or flooding. LPC oversight of the policy has proven to be difficult as Southern Water are not statutory consultees and only give advice when asked by the planning authority. This has led to communication difficulties with Southern Water who has refused to respond to LPC requests for information concerning the Nursery site development. CDC planning officers are not sewerage engineers and are thus only able to follow Southern Water's advice and stated requirements. More recently in April 2018 when the new Charging Legislation under the Water Act 2014 came into force, the onus has been removed from developers to fund sufficient sewerage infrastructure for their development. The duty to connect that is imposed on the Water Authority results in a temporary cheaper solution found for the site rather than an infrastructure upgrade which is desperately needed.

In the instance of the Nursery site, it does not appear that Southern Water is aware of the NP policy. LPC has tried to work with CDC on the reserved matter to ensure that the NP policy is met to its satisfaction. This lack of communication has resulted in the Nursery site residents having to maintain a private sewer network of pipes and storage tanks due to Southern Water's refusal to adopt the system put in by the developer and approved by CDC.

Southern Water has repeatedly stated in responses to planning applications that no additional capacity exists in the local sewer network. As stated under policy 5, a temporary solution had to be imposed. It is not clear what the solution will be for the Farm Close site.

This lack of capacity in the network will be a major impediment to further development within the parish of Loxwood and calls into question the proposed 125 extra houses allocated in the draft CDC Local Plan (2035) doc.

Currently, the LPA and Water Authorities defer to each other as to who carries the responsibility for the adequate design and implementation of this vital infrastructure. Southern Water's own internal organisation is not connected in this respect to ensure that there is adequate capacity, not just in the immediate vicinity of a development, but for the whole of the surrounding system. Once planning consent is granted the developer only has to comply with the minimum requirements as stated by Southern Water's planning department.

Policy 9 – Housing Density

This policy requires that housing density be in character with the surrounding area and give an impression of spaciousness.

LPC has objected to the increased housing density put forward recently in the revised plans for the Farm Close site (an allocated site in the NP).

Policy 10- Build Environment Vernacular

This policy seeks to ensure that all new developments continue to reflect the character and historic context of existing developments within the parish.

LPC were active in discussions with the Nursery site developer to influence the final exterior design of the houses to one that better fits the vernacular of the village. The lesson learnt from this engagement was that the policy is working and LPC need to be vigilant and work with both CDC and developers to deliver the “vision” of the policy. LPC objected to revised plans for the Farm Close site as they did not meet the Policy requirements.

Policy 11- Wey and Arun Canal

This policy seeks to protect the green corridor along the canal and support the expansion of the Wey and Arun Trust tourism activities.

No planning applications have come before LPC which impact the green corridor of the canal.

Policy 12- The Rural Area

This policy requires that any development in the rural area will be in accordance with district and national planning policy, to support the re-use of farm buildings in the rural area as housing for agricultural workers, and to support new agricultural or business development in the rural area.

The overall objective of this policy was to restrict unwanted housing development in the rural area to only that allowed by overarching local and national policy and to stimulate agricultural and business development and thus employment in the rural area, which makes up a large proportion of the parish.

So far, in the time since the NP was made, no applications have come forward to promote business development or agricultural workers housing in the rural area.

Policy 13- Housing Extensions

This policy works in tandem with policy 10 and seeks to ensure that housing extensions follow the style of the original building.

The majority of planning applications which come before LPC each month fall into this category. The policy is working well and requires an element of judgement when considering the “bulk” of an extension compared to the original footprint.

Policy 14- Economy and Business

This policy seeks to support new business/retail start-ups either as stand-alone buildings or as part of a new development.

The development of a CO-OP on the Nursery Site falls within the remit of this policy and LPC is actively supporting the provision of a new convenience store on the Site.

Note: A planning application for a retail development was submitted in June 2019.

Policy 15- Telecommunications and Connectivity

This policy seeks to ensure that new developments should demonstrate how they will contribute to and be compatible with existing fibre and internet connectivity and enable the highest broadband speeds to be achieved. The policy states that this could be demonstrated by means of a “Connectivity Statement”. Review of a number of Decision Notices has established that the conditions imposed have not referenced the Policy and thus, to date, developers have not been required to comply with this policy.

Policy 16- Traffic Calming

This policy seeks to ensure that, by means of developer contributions, traffic calming will be introduced to bring about a safer environment for pedestrians and road users within the parish.

Experience with this policy has been disappointing and it is not working as a planning policy. This is explained in more detail under policy 5 above.

Equally, during the planning application phase of the Farm Close development, extensive discussion took place with the original developer and an agreement was reached with respect to a traffic calming contribution from the development. LPC sought to have this agreement written into the S106 agreement but this could not be achieved for legal reasons put forward by CDC.

LPC experience so far is that it is impossible to introduce traffic calming measures by developer contributions as part of the planning process and that the only way to achieve the objectives of the policy will be by means of funding separately, negotiated with the developer, or provided directly by LPC and the community. For small parishes such as Loxwood, the ability to raise the necessary funds for such projects is difficult at best and a more formal planning requirement in line with the NP policy should be considered.

Policy 17- Environmental Characteristics

This policy seeks to encourage developers to use the highest standards of energy saving techniques in their designs of any new development. This policy has synergy with CDC Local Plan policy 40- Sustainable Design and Construction in as much as they are both encouraging the use of renewable energy sources. Review of a number of Decision Notices established that the conditions imposed have not referenced either the Local Plan or NP policies and thus, to date, developers have not been required to comply with the policy. When the policy was originally written by LPC it included a sentence which required compliance with the Sustainable Code for Homes level 4 or level 5. This sentence remained in the policy through the first Referendum and Independent Examination. At the second Independent Examination, the examiner recommended removal of the sentence with no substitute wording added. As a result the policy has lost some of its objectiveness and thus during the next review, the policy will be re worded.

Policy 18-Flood Risk

This policy seeks to ensure that the risk of flooding from any new development is minimised. To some extent, this policy has the same objectives as CDC Local Plan policy 42. Any future reviews of the NP will need to take this into account in order to minimise duplication of policy.

Loxwood Parish Council

December 2019

SOUTHBOURNE PARISH NEIGHBOURHOOD PLAN (SPNP) 2014 – 2029 Fourth Monitoring Report – period 1 April 2018 to 31 March 2019

“The SPNP will be monitored by the local planning authority and Southbourne Parish Council on an annual basis as part of the Chichester District Annual Monitoring Reports.” (SPNP para.3.3).

The SPNP was “made” in December 2015. It has been used by the District Council alongside the Chichester Local Plan to guide development in the Parish.

POLICIES

Policy 2: Housing Site Allocations

Gosden Green (now known as Parham Place) is complete and the other three housing site allocations in the Neighbourhood Plan (Priors Orchard and Southbourne Fields in Southbourne, and Meadow View in Nutbourne) progressed. They are providing the following new homes:-

Gosden Green – 20 units (of which 6 are classified as affordable) Priors Orchard – 159 units (of which 62 are classified as affordable) Southbourne Fields – 125 units (of which 38 are classified as affordable) Meadow View – 55 units (of which 17 are classified as affordable)

The District Council holds the detailed record of completions on these allocated sites.

Policies 1 and 2: Sites not allocated in the SPNP

The District Council holds the records of “windfall” permissions granted. One site which lies outside the Southbourne Settlement Boundary at Breach Avenue is of note as follows.

Breach Avenue – Proposed development for up to 34 dwellings

This site lies outside the Settlement Boundary set out in the SPNP. It was opposed by the Parish Council and the District Council decided that its development would be contrary to the policies laid down in the Local and Neighbourhood Plans. The application was refused, but granted at a subsequent appeal in 2017. The District Council challenged the decision in the High Court on the basis that the decision did not give due weight to the overall “aims” of the Neighbourhood Plan including resisting development north of the Stein Road level crossing. The Judge in the High Court concluded (September 2018) that the Inspector was correct in his assessment and that permission should be granted. The District Council was not satisfied with this judgment and applied for, and was granted, leave to take the case to the Court of Appeal. In the meantime, development cannot proceed.

Land North of Cooks Lane

An outline planning application for 199 dwellings (SB/18/03145/OUT) contrary to the policies in the SPNP was submitted by Rydon Homes Ltd. in November 2018 and refused permission in March 2019.

Policy 3: The Green Ring

Areas of open space are currently being laid out by the developers at Priors Orchard and at Southbourne Fields as part of and linking to the future Green Ring for Southbourne.

The development at Southbourne Fields includes the provision of 14 allotments including individual sheds and a parking area. The Parish Council and the developer (Miller Homes) agreed that the allotments will be managed by the Parish Council. It was also agreed that a water supply will be laid on by the developer, the use to be metered and paid for from allotment rents.

A CIO (Charitable Incorporated Organisation) known as the Southbourne Development Trust was registered with the Charity Commission in September 2018 “for the public benefit in the village of Southbourne and the surrounding area”. The CIO is separate to the Parish Council, and in summary is a non-profit making entity capable of owning and managing assets already created by developers as part of the planning process, or creating or implementing new assets either gifted to the Parish Council or purchased with CIL funds or other grants. These future assets could include landscaped public space, allotments, parks, other components of the Green Ring or other community land assets.

Policy 6: Village Centre and local Shops – the Co-op

A planning application to replace the former Co-operative store on Main Road, Southbourne with five dwellings was refused permission in May 2018. It was considered contrary to Local Plan policies and to Policy 6 of the Neighbourhood Plan (due to the consequent loss in retail floor space) and Policy 4 (due to the unsatisfactory design and layout of the proposed dwellings). In July 2018, the District Council issued a time limited Article 4 Direction so that planning permission would be required should demolition be proposed. This demonstrated strong support from the District Council for SPNP policies. An appeal was lodged in January 2019 against the refusal of the redevelopment proposals. The outcome is awaited. In the meantime the building is unoccupied and being advertised for letting.

Policy 7: Environment

The Southbourne Environment Group (SEG) and associated volunteers continued its work on local projects, some arising from the SPNP (SPNP Proposal 2 paras 5.8 and 5.9) including:-

Footpath Monitoring – continues to be undertaken by local volunteers to supplement the reduced frequency by WSCC rangers by notifying them of problems in advance of their own survey, and this works well. The WSCC report was received by the Parish Council in the New Year 2019 and referred to a number of pathways that WSCC cleared once, the replacement of some broken signs and a number of improvements made to stiles. The surveys now work on a 15 month cycle to cover different times of the year. Notices continue to be posted on finger posts between Nutbourne Marsh and Prinsted to advise about the sensitivity of winter wading birds and asking dog owners to respect this.

Tree planting and maintenance – 1000 whips were received and distributed in February, 60 being planted along Footpath 212 by the SEG along with the clearance of the adjoining ditch and planting of the stream banks with native species.

Litter picking – Volunteers undertook Parish wide litter picks in April, July and October 2018 and in March 2019 with equipment supplied by the District Council.

Policy 8: Education

Contributions towards the provision of education within West Sussex are being made by all developers. These funds will be within the control of WSCC which will allocate spending as and when local need arises. Two projects at the Bourne Community College were approved in November 2018; the provision of five new classrooms and a floodlit MUGA with associated facilities, and a new Special Support Centre.

Policy 9: Community Buildings

Age Concern Centre, New Road

In June 2018, WSCC confirmed in writing that a new lease would be issued to cover the period up to September 2021.

Village Hall

Regular maintenance and improvements continued with the assistance of grant aid.

Community Shed at the Village Hall car park

WSCC supplied the equipment to be stored in the shed for use by local Community Groups, and three members of the SEG attended a course on how to use it.

PROPOSALS

Proposal 2: Financial Contributions from Development

Section 106 Agreements continue to secure developer contributions towards some infrastructure arising directly from individual developments. However, the Community Infrastructure Levy (CIL) now secures significant sums based on new dwelling sizes. Due to having a “made” Neighbourhood Plan, the Parish Council will receive 25% of

the CIL Levy to spend on the local projects listed in the CDC Infrastructure Business Plan.

PLAN REVIEW

Chichester District Council is reviewing its Local Plan and is proposing that Southbourne Parish accommodates a minimum of 1250 additional dwellings by 2035. The Parish Council decided to review the Neighbourhood Plan so that, in consultation with the local community, there would be direct local influence on how this might be implemented. In April 2018, the Parish Council appointed a Planning Consultancy to advise and assist it with this review.

Local public consultations in the Parish began with an exhibition event in December 2018 at which views were sought on a new “vision” for Southbourne Parish. A second event was held in March 2019 at which three broad options for future growth were highlighted which may be summarised as:- a major expansion to the west of Stein Road, a major expansion to the east of Stein Road, and expansion from a number of small sites distributed more widely throughout the Parish. Work on the review will continue into 2020.

18th December 2019

Monitoring Report 2018/19

Tangmere Neighbourhood Plan made 19 July 2016

This report covers the period 1 April 2018 to 31 March 2019 and reviews the effectiveness of the policies contained in the Tangmere Neighbourhood Plan.

In the period concerned, the policies set out in the Tangmere Neighbourhood Plan were largely untested because eight of the ten policies contained within the plan relate (some directly, others indirectly) to the development of the Tangmere Strategic Development Location. The latter part of the report period (the early months of 2019) saw some engagement between Tangmere Parish Council and Chichester District Council and its development partner Countryside Properties (UK) Ltd and preparation for the master-planning process. However, Tangmere Parish Council did not have the opportunity to stress the significance of the Neighbourhood Plan policies until after 31 March 2019.

The remaining two policies are:

Policy 1: A Spatial Plan for the Parish – Tangmere Parish Council continues to monitor all development proposals for compliance with this policy supporting proposals within the Settlement Boundary which are consistent with the plan's other policies and resisting any development proposals outside of the Settlement Boundary.

Policy 5: The Yews, City Fields Way – during the period of this report a planning application was received (18/03143/FUL) that met the requirements of this policy. Tangmere Parish Council made no objection to the application which was permitted in July 2019. Notwithstanding the fact that permission was granted after the end of the report period, Tangmere Parish Council considers that this policy has been effective.

WISBOROUGH GREEN PARISH COUNCIL

NEIGHBOURHOOD PLAN MONITORING REPORT TO 31ST MARCH 2019

Prepared November 2019

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.

In view of the Local Plan Review, the Parish Council agreed to use the opportunity to update the Neighbourhood Plan with the intention to allocate further development sites, update statistics, legislation and referencing as necessary, and amend policies to improve clarity. A site consultation event was held in September and a community questionnaire will be circulated early in the New Year.

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:

Greenways Nursery: this site for 10 residential caravans 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 or two caravan being on site.

Great Meadow: Construction of this Jones Homes site (Land South of Meadowbank with marketing name Bluebell Meadow) is nearing completion. As of November 2019, the websites shows that 9 of the 15 open market homes are shown as available.

Songhurst Meadow: (Winterfold Fields) Development commenced this autumn.

Clark's Yard: Planning permission has not been progressed.

4. Housing Association Properties:

- Great Meadow: The Parish Council understands that the properties for rent have been allocated although disappointingly, eligible households in Wisborough Green did not apply. In terms of the shared ownership properties, it is hoped that one will be allocated to a family with village connections. The price of the other two properties has recently been reduced and therefore re-advertised in the village.
 - Songhurst Meadow: No housing association interest was shown in the affordable housing and as such, a housing association has now taken on all 6 properties for shared ownership.
5. The marketing difficulties at Great Meadow, for both affordable, shared ownership and open market, has called into question the need for further housing in Wisborough Green, particularly with more availability, choice and cheaper housing available in Billingshurst (Horsham District) just 3 miles away. There are plans within the Billingshurst area to provide several thousand more homes over the coming years. This is a concern as Wisborough Green children are in the catchment area for the Billingshurst Senior School (The Weald) and about 45% (2011 survey) of residents use the Billingshurst Doctors' surgery.
6. As mentioned in previous reports, the examiner removed a policy relating to off-road parking within a development. Construction vehicles associated with the Great Meadow site caused difficulties for the village and concern has already been expressed that residents' cars that cannot be accommodated on the site due to lack of space, will be parked in laybys around the village green. The Parish Council is disappointed that the NP examiner did not fully comprehend the need for this policy or provide an opportunity for wording adjustment. It is therefore the intention to pursue further in the NP review.

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. As stated in the 2018 report, 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. As stated previously, 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, as stated previously, this has proved a challenge for developers in an area where electricity power failures do occur. Both of the current development sites intended to use air source heat pumps, but permission was granted to change to centrally stored Calor Gas.
5. Policy ED1: Development of New and Existing Business - An application to provide additional hard parking at Fishers Farm Park highlighted some further ambiguity. After considerable discussion between local residents and the park owner and representation to the Parish Council, a compromise was eventually reached. It should be noted that the NP is underpinned by the Village Design Statement in which 10 areas have been assessed in terms of character and landscape. Expansion of commercial activity which creates change to these areas eg; destruction of green field and diminished views should be compliant with this policy to avoid commercial sprawl and harmful change. Amendment to this policy within the NP review will provide greater clarity.
6. Policy EN2: Landscape Character and Open Views

Policy EN4: Conserving and Enhancing the Heritage Environment

A large agricultural plastic poly-tunnel was erected in the side garden of the Bat and Ball Public House without planning permission. Despite objection from the Parish Council on the grounds of the unsightly nature of the construction being in immediate proximity to this listed heritage building and restricting the view across the garden to the building from Newpound Lane, retrospective permission was granted by the CDC Planning Committee. This permission is not compliant with the above NP policies and the condition placed on the permission is contradictory in that it acknowledges the impact on the heritage building and requires its removal in entirety when no longer used for agricultural purposes. It is therefore very disappointing that the CDC Officers and Planning Committee did not support the NP policies. (Planning Committee decision on 6th November 2019).

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