

CABINET STRATEGY FOR THE COMING YEAR 2016-17

In the following pages my Cabinet colleagues have set out the strategy for their respective portfolios that they recommend to you for the coming year. The Financial Strategy refers to 2017-18 as this will be going to Cabinet and Council in December this year.

Each member has applied to his or her own area the principles I set out in my Leader's Report to the September 1st meeting and which are included in our Corporate Plan.

The five objectives in our Corporate Plan are to:-

- Improve the provision of and access to suitable housing.
- Support our communities, especially the disadvantaged.
- Manage and protect our built and natural environments.
- Improve and support the local economy.
- Ensure value for money for our council taxpayers.

We tried to keep our council tax at its 2015-16 but despite finding other ways to raise the money, the Government cuts in the 2016-17 Local Government Finance Settlement were much deeper than expected.

We went for the allowed £5 increase on a Band D home, just 10p a week for the average taxpayer. We decided that that was preferable to cutting services. This does not mean we are not looking for ways to provide those services more efficiently. We certainly are. We have just achieved one major cost-cutting exercise with the out-sourcing of our leisure centres. Now the attention must turn to determining how we can cut the costs of our museum.

We have embarked on a joint study with Arun and Horsham to share our support services. We are continuing to seek property investments to generate a far better return than cash deposits.

Moving on from revenues and costs, we will continue to contribute to the District's economic growth: through for example the Chichester Vision and the Enterprise Gateway. One aspect of the Chichester Vision which will be a very substantial project in its own right is the planned regeneration of an area included in what has been called the Southern Gateway. The area of focus will include the Bus station and garage, the Courts buildings and the Basin Street car park. This will involve bidding for public funding, creating master plan and seeking private enterprise involvement in the development.

We all want to maximise the supply of affordable housing. We will be seeking innovative ways to do so, using commuted sums from developers and cooperating with the Government on starter home schemes.

We face three big challenges in the coming year: starting the total review of our Local Plan as required by the Inspector, taking forward the Southern Gateway project, and determining our approach to the 3SC devolution plans.

Tony Dignum

Leader

Contents

CABINET STRATEGY FOR THE COMING YEAR 2016-17	1
ENVIRONMENT AND CONTRACT SERVICES STRATEGY	3
PLANNING AND HOUSING PORTFOLIO STRATEGY	5
COMMUNITY SERVICES STRATEGY	7
COMMERCIAL SERVICES STRATEGY	8
SUPPORT SERVICES STRATEGY	11
FINANCIAL STRATEGY 2016/17	13

CTRL +click to go to specific section

ENVIRONMENT AND CONTRACT SERVICES STRATEGY

Waste and Recycling

A Waste and Recycling Panel to advise Cabinet has now been established and our initial strategy to aim for a 50% recycling rate is now in place, with the first action plan and initial funding agreed by Cabinet.

Public behaviour can potentially make the single most important contribution to our recycling rate. This month sees the launch of a whole range of public education initiatives, starting with a major feature in 'Initiatives' and an item in the Observer. We are also working closely with the County's communication team.

My presentation to full Council was well received. I plan to repeat it at the all-parish meeting which we plan to be a 'Recycling Event' and have been invited to make the presentation to some Parish Councils. We have engaged the support of some local businesses, including Tesco, to support our public education programme, and I will be seeking support from as many members as possible to assist during 'Recycling Week' in September.

Litter Picking

Introduction of new Health and Safety regulations requiring improved traffic management, lane and road closures is going to prove challenging and potentially expensive. The CCS team are currently reviewing this. A change in public behaviour is urgently needed to reduce litter.

Authorised Testing Facility

We have recently learned that competitive ATFs will be opening up at Worthing and possibly elsewhere not far from your area. A review of our business case makes this project look much less attractive. There are also going to be huge demands on CCS in the coming months with the recycling target and possible future food waste collection.

The project will still go through for planning permission but will then be put on hold until we have time to reassess the business case once the competition has opened.

Drainage & flooding

The Manhood Peninsula Drainage Partnership, which I chair, is now established. This group has representation from all key partners including CDC, WSCC (as lead flood authority), Southern Water and the Environment Agency (EA) and aims to ensure partners deliver on stated aims. Initially the group is pulling together an overarching work-plan of schemes and issues on the Manhood in order that the full picture can be understood.

The Environmental Protection team will continue in the coming year to work with landowners and partners to try to progress small schemes with partners or by providing match funding where it will help the process along.

Coastal defence

We hope to secure funding for the 2016-2021 Beach Management Plan from the EA. The

previous Beach Management Plan has proved successful in protecting our coastline from erosion and protecting our communities against storms.

In 20`6/17 we will be receiving an updated asset survey from our consultants Royal Haskoning which will give us a full picture regarding the condition of our coastal assets and enable us to plan and prioritise any maintenance works.

The Selsey Haven

We have received the initial feasibility study which gave a range of options with a preferred option identified. We now hope to proceed to a more detailed technical study, along with an economic assessment, to ensure any future plans are economically as well as technically feasible.

Air Quality & climate change

Air quality remains a key priority for the Environment service. We have in the last year committed to using electric vehicles in our fleet where possible and have committed funds to installing electric charging points across the district to enable our communities to convert to low emission vehicles. We have also recently replaced two air quality monitoring stations and will continue to monitor in areas of concern.

We have recently updated our climate change action plan and the Environment team will be working with Housing over the coming years on various initiatives aimed at making homes more fuel efficient to reduce emissions.

Local Plan

The Environment team will produce a Scoping Report for Sustainability Policy – to identify all the policies that are important locally and to ensure local issues and facts inform the scoping report (e.g. biodiversity, contaminated land, air quality, noise and economic policies). Last time 40 odd reports and policies were reviewed. The scoping report defines the assessment criteria for ongoing measurement.

A27 Consultation

Noise, air pollution, and biodiversity impacts of the remaining A27 options will need to be assessed. Current monitoring data from Highways England is indicating that other areas of the A27 may need to be declared as an Air Quality Management Areas (This might be too early to say. We are waiting for the data to be released).

Food Safety and inspections

The way that food inspections are carried out nationally is going to change, probably within the next year. The Food Standards Agency aim to give businesses more earned recognition with regulatory effort being concentrated on business set-up and poor performers. Charging for interventions by Local Authorities is likely with dispensations for small businesses.

Roger Barrow

Cabinet Member for the Environment

PLANNING AND HOUSING PORTFOLIO STRATEGY

PLANNING

The past year has been a productive and successful year for Planning Services in the achievement amongst others of:-

- Adoption of Local Plan
- Adoption of CIL
- Adoption of The Planning Obligations and Affordable Housing Supplementary Planning Document
- The Council approved Infrastructure Business Plan – an important step in setting out the rolling five year plan to priorities the spending of CIL funds
- The Planning Service has met all three national performance standards for meeting planning applications.
- 4 Neighbourhood Plans have been adopted.
- Strategic Sites.
 - Resolution to grant outline planning permission for 300 dwellings at Westhampnett
 - Shopwyke Lakes – granted permission for 500 dwellings

The above achievements are important as they give a strong basis on which we can achieve our future objectives.

OBJECTIVES

- Review of Local Plan:
 - Planned end date 31st July 2019.
 - Gather the evidence base. E.g. OAN, SHLAA etc. Initial evidence base to be finalized by 31st January 2017.
- Site Allocations Plan
 - End Date May 2017
 - Gather the evidence base
 - Prepare the plan
 - Carry out consultation
 - Submit for examination and adopt the plan.
- To continue the review of the IBP.
- Strategic Sites.
 - The expected masterplan for West of Chichester is expected to go before the Planning Committee in April 2016 to be followed within a few months by the planning application.
 - Tangmere. In order to progress the development at Tangmere consider the CPO of land at Tangmere. To seek specialist advice and carry out statutory procedures.
- Supplementary Planning Documents to be considered.
 - Surface Water and Foul Drainage.
 - Chichester Harbour SPD
 - SPD Addendum on A27 Financial Contributions from Development
- Conservation Area Appraisals which commenced in 2016 will continue
 - Selsey Conversation Area
 - Fishbourne Conservation area
 - Westbourne Conservation Area

- Reviews and Appraisals of methods of working to ensure greater efficiencies and performance in the Planning Service.
 - Conservation Area Appraisals
 - Support working electronically across the Service
 - Review of the Pre-application Advice Process
- SDNPA Review of existing agreement and conclusion of work to complete new agreement with SDNP
- Review of Building Control Service Delivery

HOUSING

The Housing and Planning Bill if passed will have a profound impact on the delivery of affordable housing with the Government's emphasis on owner occupiers rather than rented. Although details of the rules and regulations have yet to be published the direction of the Government is clear. Although there is still a lack of certainty the Housing Service is formulating creative and practical solutions to meeting the challenging times ahead.

The four key priorities in the strategy are:-

- Maximise the supply of local homes to meet the needs of local people
- Make the most effective use of existing stock, whilst maintaining sustainable communities
- Enable local people to find their own solutions
- Provide additional support for those that most need it.
-

We will retain the affordable housing targets and the updated Housing Strategy Delivery Plan.

- Strengthen the evidence base of local need and affordability.
- Support opportunities for intermediate and starter home housing to support the local economy and growth, whilst ensuring they are affordable to and accessible by local households.
- Extending Homefinder. – We have just recruited two full time staff to Homefinder which will enable the service to be more proactive in finding suitable accommodation. Consideration is also being given to incentivising landlords by reducing management charges
- Continuing to explore the options for affordable housing delivery to meet the needs of those unable to purchase and making best use of the Council's resources
- Provide advice and support to communities to meet their own housing needs through registered providers or Community Land Trusts.
 - It is essential that we reach the parishes with this message. At the next round of Forum meetings it is proposed that presentations will be given by officers from the Housing Service to promote CLTs. There will also be publicity to promote ways in which communities can meet their housing needs,
- A custom build and self-build register has been set up.
- Through the Chichester Warm Homes Initiative work with the Well Being Team to address excess cold and fuel poverty - a priority for the Private Sector Renewal Strategy

Cabinet reviewed and updated the Housing Strategy in February 2016 and agreed new capital allocations to support the proposals.

Susan Taylor

Cabinet Member for Planning and Housing

COMMUNITY SERVICES STRATEGY

Corporate Plan Priority 2. – Support our communities

Objectives

- Provide support to communities and individuals who are vulnerable
 - Work together to help people feel safe
 - Help our communities to be healthy and active
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Provide support to our communities

- Deliver a refreshed community strategy
- Continue to support Think Family programme. Work with partners to provide good outcomes for families. Deliver a range of interventions in all four priority areas of Chichester District.
- Deliver projects and targets set out in the LSP plan (Getting people into work, tackling financial exclusion, mental health, dementia friendly Chichester and Think Family).
- Deliver the actions and targets set in the Careline Business Plan 16/17
- Delivery of operational seasonal foreshore service and management of Foreshores throughout the year
- Implementation of the revised grants policy
- Review the cultural grants to Chichester Festival Theatre and Pallant House

Gallery Work together to help people feel safe

- Deliver targets within set within the Community Safety Business Plan.
- Develop joint working with Arun Community Safety group.
- Develop an effective mechanism for updating staff on safeguarding issues to ensure benefits of training and current knowledge is maintained.

Help our communities to be healthy and active

- Promote healthy lifestyles to our staff and to support local businesses in encouraging sustained lifestyle changes for their staff.
- Support the Early Help Strategy
- Deliver the agreement with West Sussex County Council for Public Health and Wellbeing hub.
- Deliver Health and Wellbeing projects by working in partnership with others.
- Continued development of the Chi Active brand.
- Encourage community participation in sport and physical activity.
- Develop partnership with the new Leisure provider.

Eileen Lintill

Deputy Leader and Cabinet Member for Community Services

COMMERCIAL SERVICES STRATEGY

LEISURE CENTRES

- SLM appointed as new Outsource Partner starting 1st May 2016. Procurement exercise and subsequent negotiations exceeded target savings – currently more than average £1.4m per annum.
- Key activities – consultation on squash courts at the Westgate Leisure centre (decision to keep one or two squash courts will have a financial impact on savings). Petition to keep squash courts currently has 89 signatories (1000 required for council call in). Westgate squash club in discussion with SLM to use other facilities.
- Debt funding likely to be provided by CDC as returns are 7% per annum (circa £500,000 return on £1.5m loan over ten-year period).
- Staff are motivated by discussions with SLM management team and all three centres were recently selected as one of the top 10 “Gym of the Year” by the Chichester Observer.
- Increase membership through continued and improved marketing and use of facilities. Membership at Westgate is up 10%, an additional 241 members, which is the highest it has been for two years. The Grange now has 881 members, exceeding the original target number of 800 in the original business case.
- Once outsourcing partner is established CDC will discuss further utilization of the leisure facilities for health and wellbeing. Work with Eileen and team to develop programmes that specifically target prevention and rehabilitation.
- Sport England study shows 72% of women and 60% of men are inactive.
- Potential funding could be sought for targeted groups from the public health and wellbeing fund. Possibility to do soft market test with SLM for wellbeing services in 6-9 months

CITY VISION

- Key part of economic and tourism strategy. Draft City Vision will be presented to July Cabinet.
- Four participation workshops for stakeholder groups held across the district to date.
- Focus now on a plan to provide a joined up retail strategy which considers mix of:
 - Out of town retail development
 - City centre leisure/culture/entertainment/retail offer
 - Markets/events and pop up retail offers
- Driven by the predicted growth in population and the opportunity to make the most of the district’s assets.
- Linking assets into segmented offers and better use of technology to improve marketing awareness of what Chichester has to offer.
- Look for sites which provide opportunity to transform the city – Southern Gateway (discussions with HCA and WSCC underway), Northgate, West St/Cathedral, canal basin and public owned land. Enhance retail, leisure, heritage, hospitality and business offer to effectively compete against other destinations (who are competing for the same consumer spend).

- Short term projects underway to smarten up the city in partnership with Chichester City Council, BID and CDC to include signage, planters, street furniture and tidy up window boxes/planted areas.
- Markets consultation produced disappointing results as only one offer was received (by the existing operator of the current Cattle Market). Meeting with this operator will take place on 5th April to establish what quality standards are envisioned. Initially focussed on Chichester but other towns may be considered at a later date if a successful market is established.
- Responsibility for Petworth farmers market successfully transferred to Petworth Town Council.
- Vision initially focused on Chichester but other towns (Midhurst, Petworth and Selsey) are progressing their own Visions.

TOURISM

- **Define destination and improve elements of offer:**
 - Hotel/accommodation
 - Watersports/events/activities – Bracklesham Bay, punts and picnics in the park (Petworth), Roman Week – other ideas to be developed
 - Coastline development – Selsey Haven – initial feasibility study shows there are options to be further developed and costed. Funding proposition to be developed in conjunction with the EU and Coastal LEP
 - Lost City of Selsey – archaeological dive site
 - Canal basin – Discussions underway with a consultant to assess its potential
 - Improve museum and offer and link exhibits with other key events
 - Develop wedding venue offer at Guildhall
 - Improve marketing and mobile services
- First step is to establish baseline data regarding tourism activity across the district (and beyond). Research funding is agreed in principle through the Coastal West Sussex Partnership. Research brief under development and will be shared with members, baseline research expected by November 2016 to ensure seasonality is considered – PID to be updated.

MUSEUM

Develop Museum offer and consider alternative ways to deliver the service (including partnerships and other forms of collaboration) which will reduce the cost of the museum. Options analysis underway for presentation to July 2016 Cabinet. Tender for consultants underway to be appointed before end April 2016. Options analysis during May/June 2016.

ECONOMIC AND BUSINESS DEVELOPMENT

- **Enterprise Gateway:** Current activity is focussed on the Gateway in Terminus Road, Chichester. Planning permission granted and currently seeking fixed price quotations against agreed design. Expected to finalise build partner by April 2016, designs expected to be developed for fixed prices by August 2016. Operating contract with Basepoint to be finalised within the same timeframe. Completion early summer 2017.
- Small Industrial units/trade counters development being considered for Plot 21, Terminus Rd. Options for St James industrial estate also under review.

- Still have £1,296,400 in the new property investment budget and more could be added from free reserves to acquire properties offering a good return. Opportunity being considered to buy freehold of a retail property in South Street at £1,010,000. Opportunity to be further considered by the Cabinet following satisfactory solution to enforcement notice re shop signage, building surveys, financial due diligence and understanding of contractual risk framework.
- Further ideas for future consideration with officers:
 - Consider establishing business satellite hubs in other towns: Midhurst, Petworth and Selsey (2018 onwards)
 - Superfast broadband is key – should we invest in the last mile and offer services to business where BT or Government funding is not available? Current grants available for rural business hubs to improve access to high speed broadband.
 - Develop strategy for use of employment land for high end employment opportunities including finance, fintech, technology.
 - Consider development of working from home units, mixing housing development with 21st century IT offer and shared spaces for meetings etc.
 - Skills – Explore graduate programmes and incentives for University graduates to stay here or move here – including accommodation incentives and enterprise hub to sell start up facilities to young entrepreneurs

CAR PARKS AND TRAFFIC FLOW

- Review is underway to consider extra space planning, disabled bay supply, customer experience, improved payment convenience (e.g. with contactless, automated phone payments), extension of pay on foot, real time space availability of all gateway car parks on existing signs. Agreed more payment options to be introduced to all city and rural car parks. 14 payment terminals currently accept credit and debit cards, another 23 machines to be upgraded shortly to accept debit and credit cards
- Car Park pricing policy is seeking to
 - Keep fees reasonable to ensure parking is not a barrier to use of the towns and City for retail, culture and entertainment.
 - Opportunity to consider season ticket pricing, extension of parking charging hours and blue badge concession etc.
 - Ensure that all car parks at least cover their maintenance costs.
 - Trying to ensure a more equal approach towards rural car parks.
- Car Park strategy is under review and will seek to consider the impact on traffic flow and parking through the development of new housing settlements in Chichester District and surrounding towns over the next 10-20 years. The car park strategy will build on the Road Space Audit (published April) and City Vision (due July) work.

Gillian Keegan

Cabinet Member for Commercial Services

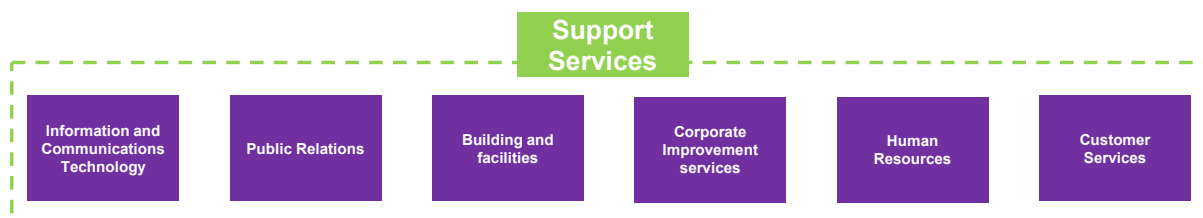
SUPPORT SERVICES STRATEGY

Vision for Support Services to 2019

We are currently developing a shared services business case with Arun and Horsham District Councils which will report to all three Cabinets in July 2016. My vision for 2019 is for our support services to be delivered through a central, collocated, digitally-enabled, shared services organization with these District Councils and potentially others, sharing cost and providing relatively more investment capital. This will be a lean organization, which is innovative in delivering service outcomes for our residents, maximizing opportunities for on-line, digital delivery and is set up structurally to be ready for the future. It should also deliver further savings. We must get this right or we will be forced to consider less appealing alternatives which involve less control.

Executive Summary

Our current support services



Future delivery of support

The shared services organization study is focusing on the following areas:

- **ICT**
- **HR**
- **Customer services**

The delivery of the future shared services organization depends critically both upon a robust operating model and also on an effective IT platform. It is not a simple undertaking and the focus of the Support Services portfolio will be on getting these right and delivering this complex project on time and on cost. Some implementation challenges include:

- Location of the shared support centre
- Shared IT platform
- Sharing of savings/efficiencies across the authorities
- Future employing authority
- Harmonisation of terms and conditions across the authorities
- Agreement of future investment funding streams (e.g. for ICT replacement)

Assuming that the three Cabinets approve the business case in July, we will then move into implementation. This will take a lot of time over the next calendar year but it will deliver significant operational and financial benefits. Amongst these are that it will allow us to move forward on implementing our digital strategy to move services on line, where appropriate.

Other areas

PR and Sponsorship: this department has significantly developed income generation for the Council over the last year. Examples include advertising on the council website, an

impressive sponsorship package and partnering of council assets (such as the waste lorries). I am convinced that there is much more value to be captured here, for example, in car parks and other advertising, and intend to push this forward, whilst we maximize revenue in a constrained funding environment.

HR Organisational Structure: in the last year we reviewed those areas (e.g.: planning) where staffing and skills shortages exist in order to develop benchmarks to manage personnel turnover and anticipate areas of future skills shortage. This has developed into a pay benchmarking and grading structure review using Hays Consulting and we will build on this to ensure the organization is right-sized to meet future challenges. Examples of this include the effect of the National Living Wage on more junior grades. We will look to expand the use of innovative staffing methods, such as apprenticeships and internships, to grow future talent, as well as using six monthly pay benchmarking to keep rewards competitive with competitor employers.

Building and facilities: we will look strategically at the locations of major CDC buildings including examining whether East Pallant House and other major buildings are the right location for the long term. More tactically we will continue to look at freeing up excess property for disposal, such as the surplus properties in Theatre Lane and I aim to push for further rationalisation of smaller council properties, on an opportunity basis.

Corporate improvement services: this team is lean and essential to deliver further innovation – I do not see change is needed at this time.

Strategic Priorities

- Deliver a collocated Shared Services organisation
- Increase sponsorship and commercial partnering
- Maximising opportunities for property disposal

Bruce Finch

Cabinet Member for Support Services

FINANCIAL STRATEGY 2016/17

Summary

1. Whilst current economic projections are still healthy, and inflation remains low, overall public sector spending remains tight for the foreseeable future. We have been the recipient of 6 years of central government funding cuts and uncertainty as to future settlements and economic recovery (particularly with the EU referendum looming) remains high.
2. The government's settlements for 2015/16 and 2016/17 have proved challenging. We have met those challenges and maintained financial resilience through taking a more commercial approach to all aspects of Council activity, being guided by prudence in financial management, and through efficient delivery of services.
3. Last financial year, the Council avoided increasing Council tax, and continues to strive to constrain any rises here. However the Government cuts in the 2016-17 Local Government Finance Settlement were much deeper and steeper than expected. By 2018/19 the Revenue Support Grant will have been withdrawn completely. To partly offset these funding cuts, Council approved in March 2016 a relatively modest £5 increase on a Band D home for the 2016/17 financial year, just 10p a week for the average taxpayer.
4. But the funding cuts are also being met with further savings, efficiencies and greater commercialisation. Across all departments and service areas, the Council continues to look for more efficient ways of working, of delivering services and reducing costs. We have already achieved one major lasting cost-cutting exercise with the out-sourcing of our leisure centres. Now the focus of attention has moved to further opportunities for shared services, and to the museum to determine how we can cut its significant ongoing costs. We will also now look for wider investment opportunities which deliver reliable returns without compromising security, and to this end have set up an investment opportunities reserve.
5. In the current financial year we have again witnessed an increase in some income streams through fees and charges, (predominantly car parking, planning fees). This Council currently generates in the order of £16m per year from such income streams. However these do not in themselves fully offset the anticipated reductions in government funding and the increased ongoing costs from:
 - (a) Pay and cost pressures (particularly private/public sector pay differentials which may require pay premia in order to recruit and retain key employees). The current 5 year model assumes 1% increases for the next 2 years and 2% per annum thereafter.
 - (b) Challenging recycling targets: Recent tougher recycling targets and the possible need separate out types of recycle materials are likely to drive substantially increased ongoing waste costs, currently estimated at around £1m per year from 2017/18. The required reworking of our Local Plan after 5 years, estimated at a cost of £150,000 per year.
 - (c) Ongoing substantial net cost for the running of the museum.

6. Supported by our rolling 5-year financial plan model, the financial strategy aims to keep the council's budget balanced over the forthcoming plan period, without an unsustainable erosion of reserves through:
 - (a) Delivery of further income gains, including via returns from investment opportunities including the recently approved £10m investment in the Local Authorities Property Fund;
 - (b) Further reductions in expenditure;
 - (c) A revised grants process;
 - (d) Restrained Council tax increases.

Income

7. The Council currently relies on over £16m of income from its fees and charges to balance its budget. Over recent years we have witnessed a reduction in income from some service areas but overall we have witnessed an increase in income, primarily in relation to car parks and planning fees. The latter two sources are particularly difficult to predict and no allowance has been built into the 5 year model for setbacks. We have assumed car parking income will continue to recover (supported by the proposed new charging program), and we expect a growing income from contract services and from a growing commercial property portfolio. As an additional income stream we are supporting the drive for sponsorship and partnering.

8. Expenditure

With other portfolios essentially planning to maintain the delivery of most key services, the focus of this strategy is on reducing the ongoing deficits, as has been achieved this year by the out-sourcing of leisure centres. The next areas of focus in this regard are the museum, shared services options and possible areas for further out-sourcing.

Investments

9. Following a policy of non-dependency on reserves, revenue budgets must make contributions to reserves to fund future capital commitments.
10. Further capital investments to be funded from reserves, include investments in:
 - (a) The Enterprise gateway;
 - (b) other property investments (subject to an approved protocol in terms of ROI, security, and local benefits;
 - (c) affordable housing;
 - (d) flood prevention schemes.

Philippa Hardwick

Cabinet Member for Finance & Governance