

Public Document Pack

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16 November 2018

Dear Member,

Performance and Finance Select Committee - Thursday, 22 November 2018

Please find enclosed the following documents for consideration at the meeting of the Performance and Finance Select Committee on Thursday, 22 November 2018 which were unavailable when the agenda was published.

Agenda No	Item
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6.	Budget Update and Review of savings proposals for 2019/20 (Pages 3 - 16)
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The report was delayed in order to provide the most up to date information.

10.	One Public Estate (Pages 17 - 28)
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The report was delayed due to officer capacity whilst the Executive Director covers the vacant position of Director of Economy, Planning and Place.

Yours sincerely

Tony Kershaw
Director of Law and Assurance

To all members of the Performance and Finance Select Committee

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Performance and Finance Select Committee
22 November 2018
Update on the Medium Term Financial Strategy 2019/20 to 2022/23
Report by Director of Finance, Performance and Procurement

Executive Summary

The Committee received a report on the Medium Term Financial Strategy (MTFS) at its previous meeting, which outlined the budget shortfall facing the County Council over the next four financial years.

As we approach setting the budget for 2019/20, this paper provides an update on the MTFS and the work underway to balance the budget for 2019/20.

It should be noted that this report reflects our position at this point in our budget preparation process and these numbers will change as the budget develops over the next two months.

This year the Forward Plan has included all major Cabinet level service budget decisions allowing preview by the relevant Select Committee so that effective and timely scrutiny is available prior to any decision being taken by the Executive. This will also apply to any additional major proposals which may still need to be considered prior to the final budget to be presented for approval by the County Council.

Focus for Scrutiny

The Committee is asked to review, comment on or make any recommendations to the Cabinet Member for Finance and Resources on this update to the County Council's Medium Term Financial Strategy (2019/20 – 2022/23).

Background

1. This paper updates the Committee on changes to the Medium Term Financial Strategy (MTFS), previously reported on 5 October 2018. This paper will provide an update to that report, the highlights from the recent national budget announcement, the approach of the MTFS and the projected funding gap over the four years, 2019/20 to 2022/23, and the work underway to balance the 2019/20 budget.

Medium Term Financial Strategy

National Context Update

2. The MTFS reported in October to this Committee highlighted the challenges facing the authority to produce a sustainable budget that would support the aims and aspirations of the West Sussex Plan. It also highlighted the uncertainty with local government finances after 1 April 2020.
3. We had an unusually early budget announcement by the Government on 29 October. The key areas for local government included:
 - £650m additional grant funding for adult social care in 2019/20. This consists of £410m for both Adults and Children's Social Care and £240m for Adults, the latter sum being a repeat in 2019/20 of an allocation made for 2018/19 to assist with 'winter pressures' and the issue of bed blocking.

With regard to the £410m, the Budget states that "where necessary, local councils should use this funding to ensure that adult social care pressures do not create additional demand on the NHS. Local councils can also use it to improve their social care offer for older people, people with disabilities and children."
 - £84m on children's service programme, over five years, to be payable to 20 authorities (yet to be named) and targeted at helping more children stay home with their families.
 - £450m in 2018/19 for potholes that will be allocated to highways authorities, resulting in an additional £6.083m for the County (just announced).
 - Schools: £475m in-year increase in capital funding to each school, averaging £10,000 for primary and £50,000 for secondary schools.
 - An additional £55m for Disabled Facility Grant in 2018/19, which is a sum that benefits Districts and Boroughs, for home aids and adaptations for children and adults on low income.
4. We await full details, including the allocations made to West Sussex CC, and the conditions set by Government, about the funds announced above.
5. The table below shows the additional funding that has been announced nationally in recent years from the various specific social care grants:

Table 1: Adult Social Care Funding

ITEM	2017/18 £m	2018/19 £m	2019/20 £m
Improved Better Care Fund (original allocation)	105	825	1,500
Improved Better Care Fund (Autumn Budget 2017)	1,010	674	337
Additional Social Care Grant 2017/18 (LG Settlement Feb 2017)	241		
Additional Social Care Grant 2018/19 (LG Settlement Feb 2018)		150	
Additional Social Care Grant 2018/19 (Conservative Party Conference Oct 2018)		240	240
Additional Social Care Grant 2019/20 (Autumn Budget 2018)			410
Total Funding	1,356	1,889	2,487

6. Although these sums are significant, the major concern is their long term future, as the sums have no guarantee of continuation into the next Spending Review and are often announced in the context of 'one-off' sums.
7. The Chancellor said nothing about any continuation of the Adults Social Care council tax levy after 2019/20, though he did highlight the intention that, in the longer term, the government will set out options for the future financing of Social Care in the pending Green Paper.
8. One of the messages in the Budget was that austerity is coming to an end. This can only be known for certain for local authorities once the longer term decisions on overall local government funding are made in the 2019 Spending Review. We do know that our fixed settlement for 2019/20 continues to reduce the core funding provided to West Sussex CC by £13.1m, as stated in the MTFs report seen by this Committee in October.
9. Paul Johnson, the head of the Institute for Fiscal Studies (IFS), in his analysis of the budget stated that "many public services are going to feel squeezed for some time to come. Cuts are not about to be reversed". Until there is firm evidence to the contrary, the MTFs will continue to assume reduced funding resources from Government will apply year-on-year, and plans will be made accordingly.

10. The Office for Budget Responsibility (OBR) published a report alongside the Chancellor’s statement and made interesting comments about local authority reserves. The OBR stated that “although the aggregate picture for the level of reserves held by English authorities appears healthy, this masks considerable variation across individual authorities, with pressures most significant for those with social care responsibilities”.

Budget Gap

11. The budget gap identified in the October report was £92.3m over the next 4 years to 2022/23 assuming a council tax rise of 4.99% in 2019/20 (part of which is the 2% for the Adults Social Care Levy) and 1.99% from 2020/21 onwards.
12. Table 2 sets out the budget gap reported to PFSC at its October meeting. If the council tax rise were not applied, the overall gap would amount to £145.1m over the next four years.

Table 2: October – Summary Budget Gap

	19/20	20/21	21/22	22/23	Overall Gap
	£m	£m	£m	£m	£m
Budget Gap including Council Tax increase *	28.9	29.5	18.4	15.6	92.3

** note figures are rounded*

13. The detailed assumptions were outlined in the previous report, but in summary the major assumptions were:
- (1) On funding:
 - a. The figures for Government support as detailed in the provisional finance settlement for 2019/20 were applied.
 - b. A tax base rise of 2.0% next year, followed by 1.7% thereafter.
 - c. Real terms growth in business rates of 2% per annum.
 - (2) On spending:
 - a. Inflationary uplift both for wages and services amounts to £43.4m over the four year period. Inflation has applied RPI and CPI figure predictions and wage inflation assuming a 2% uplift next year.
 - b. Additional funds of £36.0m over the 4 years of the life of the MTFS on Adult Social Care mainly reflecting demographic pressures and the National Living Wage policy.
 - c. £16.6m additional over the four years for Children’s Services reflecting the higher numbers of children being supported including those Looked After.

14. These spending pressures and funding assumptions are under regular review as we draft the 2019/20 budget. Accordingly, a number of changes have been made to the MTFS projections, as new information has been presented. The total gap, before savings, remains broadly the same over the four year MTFS time horizon, £91.5m compared with £92.3m previously report (see table 3 below).
15. The gap before savings for 2019/20 is now £23.8m, slightly improved on the previously reported position. This is the position assuming a council tax rise of 4.99% for 2019/20 (including 2% for the Adults Social Care levy) and 1.99% thereafter.

Table 3: November - Budget Gap: Updated

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Gap (per MTFS at 5th October and as per table 1)	28.9	29.5	18.4	15.6	92.3
Net Impact of Changes since 5 October	-5.1	4.1	0.1	0.0	-0.9
UPDATED BUDGET GAP (before savings)	23.8	33.6	18.5	15.6	91.5

** note figures are rounded*

16. The changes since October for 2019/20 include:
- Additional funding of £0.5m on the New Homes Bonus.
 - Some amendments to council tax base estimates for 2019/20 and
 - A review of budget demand pressures: with reductions in Adults (£2m), and Children's demand plus Education reductions (£1.6m).
17. The budget management reserve can and will be used to assist with any shortfall compared with our funding assumptions. However, the planning assumptions are as realistic as possible, using past experience, to avoid any intentional use of this reserve.
18. All areas of funding and of budget pressure remain under review, to ensure estimates reflect the most up to date and robust position.
19. The Local Government Finance Settlement is expected significantly earlier for 2019/20 than in previous years, with Government aiming for a 6 December announcement. The settlement should verify the core funding from Government, confirmation that negative RSG will be removed and the sum allowable for a council tax rise before a referendum, currently assumed at 2.99%.

Balancing the Budget

20. The savings proposals have been considered in the light of the aims and goals set out in the West Sussex Plan and to minimise the impact on residents. However, meeting the savings challenge in 2019/20 and the future MTFS period is proving increasingly challenging.
21. The up to date position of the budget gap after assumed savings is given in the table below:

Table 4: The Budget Gap

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
UPDATED BUDGET GAP (table 3)	23.8	33.6	18.5	15.6	91.5
LESS: Savings plans	-13.6	-9.4	-1.1	-1.1	-25.2
Net surplus(-)/ deficit(+)	10.2	24.2	17.4	14.5	66.3

22. The position outlined above in table 4 compares with a four year budget gap of £52.9m previously report and a gap for 2019/20 of £8.3m (after savings). Hence this update shows the gap has increased to £66.3m over four years.
23. Significant work has been done recently to include only robust savings with a strong degree of confidence they are deliverable in the draft budget and this is reflected in the savings figures in table 4. Many other saving plans and proposals are still being worked on with the aim of bringing these forward to assist with the gap, especially for 2019/20.
24. Savings for 2019/20 have changed from those reported in the October report (at £20.6m) to £13.6m in table 4 above. A large part of this is due to the announcement made at County Council recently to delay the proposed saving on Supported Housing.
25. A number of the major areas to be decided, as set out in the forward plan, are being consulted on and have been discussed at other Select Committees. Appendix 1 provides an overview summary list of these 'strategic areas' where a Cabinet Member level decision is expected.
26. The position of such a significant budget gap for 2019/20 as £10.2m at this stage of the budget process is far from ideal, but does indicate the difficulty of the challenge being set with continued funding reductions from Government at a time of strongly rising demand pressure for many services. It also reflects the strong challenge to only include savings plans in 2019/20 which have a high degree of expectation of delivery, with more work underway before other savings proposals can be included.

27. Work is on-going by the Cabinet and the Corporate Leadership Team to close the gap to enable a balanced budget to be presented to Council on the 15th of February 2019. The aim will be to bring forward proposals to help close the budget gap for 2019/20 and 2020/21. This year the Forward Plan has included all major Cabinet level service budget decisions allowing preview by the relevant select committee, enabling effective and timely scrutiny prior to any decision being taken by the Executive. This will also apply to any additional major proposals which may still need to be considered prior to the final budget to be presented for approval by the County Council.
28. Appendix 2 updates the budget timeline.

Reserves Policy

29. Though reserves can be used to assist with the budget gap for 2019/20, the approach adopted is the same as taken for 2018/19 i.e. avoiding a reliance on deliberately using reserves due to the short term nature of the solution. One of the criticisms in the independent review of Northamptonshire Council was that one-off resources had too readily been used to fund on-going budget commitments thereby masking underlying problems.
30. The move to 75% funding via business rates, also means in future the County Council will become more reliant on business rates, which is historically a very volatile source of funding. This indicates reserve levels need to be strong to accommodate significant fluctuations in funding, when influenced by the economic cycle. A part of our budget strategy is to ensure that the County Council maintains robust reserves to cater for this uncertainty and that a sound financial buffer is therefore available.
31. The Director of Finance, Performance and Procurement has a legal requirement to ensure the budget plans include adequate reserves for the County Council, which entails considering future risks and an ability to cover savings if they fail to be delivered to the expected time frame or scale assumed in budget plans. To assist managing budget risks the County Council has set aside £26.7m within its budget management reserve (as at 31 March 2018).
32. An update on reserves will therefore be provided to the Committee in the draft budget papers in January.

Issues for Consideration by the Select Committee

33. This report updates the MTFs and work to ensure a balanced budget for 2019/20. Comments are invited on the update.

Consultation

34. Savings proposals will be consulted on where needed

Risk management implications

35. Risk will be considered in the draft budget papers, and how this will be mitigated by adequacy of reserves and contingency to provide for a robust budget for 2019/20 and beyond.

Katharine Eberhart

Director of Finance, Performance and Procurement

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Background Papers

None

Appendices

Appendix 1 High level Summary of 2019/20 key strategic decisions on savings
Appendix 2 Budget Timetable Summary

High level Summary of 2019/20 key strategic decisions on savings

Area	Background	Decision
In House Provided Services	Adults' in-house social care services currently comprise twenty one building based services, with 900 services users, 500+ staff and a current budget of £11m. Work has been undertaken to consider how best to develop and remodel the service including reaching people earlier, help people access community solutions and focus on need rather than customer "labels".	A member decision was published on 30 October 2018 on this issue. https://westsussex.moderngov.co.uk/ieDecisionDetails.aspx?ID=401
Recycling Credits – reduction to statutory minimum	Reduction of recycling credits paid to D&B's from current bespoke scheme to statutory minimum and agreeing a more effective approach.	Decision scheduled for December.
Remove public bus service subsidies (non-school transport)	Reduction in subsidies for unviable services where there is no link to providing transport for schools.	Details of member decision so far are here: https://westsussex.moderngov.co.uk/mgIssueHistoryHome.aspx?IId=4511&Opt=0 Decision scheduled for December. Consideration by the Environment, Communities and Fire Select Committee (ECFSC) in December
On Street Car Parking	Income from a combination of increased on-street charges, permits, pay and display parking, as well as potential measures arising from Road Space Audits and efficiency around how parking arrangements are managed.	Decision will be published in December. Any measures arising from a Road Space Audit will be subject to full scrutiny and consultation. Consideration by ECFSC in December

Area	Background	Decision
Care leavers accommodation	<p>Reported to Children and Young People’s Select Committee on 31 October:</p> <p>The report explained plans to explore options for the County Council to acquire or invest in property for specialist accommodation.</p>	<p>Committee report here: https://westsussex.moderngov.co.uk/ieListDocuments.aspx?CIId=164&MIId=583&Ver=4</p> <p>Decision ready to be taken following support from Select Committee. Work will be done to prepare a business case for consideration in the Council’s capital programme governance.</p>
Local Assistance Network	<p>The Council currently budgets to spend £0.807m. Potential reduction to £0.200m from 2019/20</p>	<p>Details of member decision so far are here: https://westsussex.moderngov.co.uk/mgIssueHistoryHome.aspx?IIId=5181&Opt=0</p> <p>Decision due in December following consultation. Further consideration by Health and Adult Social Care Select Committee (HASC) in December.</p>
Supported Housing options	<p>The County Council commissions a range of housing related support services through contracts with voluntary sector organisations.</p>	<p>Details of member decision so far are here: https://westsussex.moderngov.co.uk/ieDecisionDetails.aspx?ID=333</p> <p>Decision due in December following consultation. Further consideration by HASC in December.</p>
Minimum Income Guarantee	<p>Estimated savings potential of £0.3m in 2019/20.</p>	<p>Details of member decision so far are here: https://westsussex.moderngov.co.uk/mgIssueHistoryHome.aspx?IIId=5180&Opt=0</p> <p>Decision due in December following consultation. Further consideration by HASC in December.</p>

Area	Background	Decision
Send Support Units in Mainstream Schools	Provision of up to 11 new Specialist Support Centres across the county will enable more children and young people with SEND to be educated locally and in mainstream education and reduce the number of costly out of county placements.	The Cabinet Member for Education and Skills will be asked to agree the proposal to create up to 11 additional Special Support Centres: Decision planned for November.
Reduce IPEH in line with Think Family	One of the external sources of funding for the Integrated Prevention and Earliest Help (IPEH) service is grant from the national Troubled Families initiative. This national programme is due to close in March 2020 producing less funding for WSCC (£0.560m).	Committee report taken to 31 October Children and Young People's Services Select Committee: https://westsussex.moderngov.co.uk/ieListDocuments.aspx?CIId=164&MIId=583&Ver=4 The initial phases will be decided in December.

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Budget Timetable

Date	Meeting	Tasks
22 November	Performance and Finance Select Committee (PFSC)	Update on the Medium Term Financial Strategy 2019/20 to 2022/23
6 December	Environment, Communities and Fire Select Committee (ECFSC)	Scrutiny of strategic budget options
12 December	Health and Adult Social Care Select Committee (HASC)	Scrutiny of strategic budget options
9 January	Member Day	Presentation on Draft Budget
10 January	Children and Young People's Services Select Committee (CYPSSC)	Draft Budget Papers for 2019/20*
14 January	ECFSC	Draft Budget Papers for 2019/20*
16 January	HASC	Draft Budget Papers for 2019/20*
17 January	PFSC	Draft Budget Papers for 2019/20*
29 January	Cabinet	Agree budget to recommend to County Council
15 February	County Council	Agree budget, amended capital programme and council tax

* details as necessary

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Performance and Finance Select Committee

22 November 2018

One Public Estate West Sussex - Update

Report by Executive Director Economy, Infrastructure and Environment

Summary

The One Public Estate programme is an established national programme being delivered in partnership by the Local Government Association (LGA) and the Office of Government Property (OGP) within the Cabinet Office. One Public Estate began in 2013 with just twelve areas, but now involves more than 300 councils on projects aiming to transform local communities and public services right across the country.

West Sussex County Council is currently working with 23 partner organisations across the county. This report provides the Committee with an update of the work and progress on the One Public Estate Programme. This includes updates for the individual projects being progressed through the Programme.

The focus for scrutiny

The focus for the Committee is to review the progress being made on the programme and make any comments and recommendations to the Cabinet Member for consideration when taking the projects forward.

1. Background and Context

- 1.1 The One Public Estate West Sussex Programme (OPE) has continued to develop, with 23 partner organisations now engaged across the County. The programme was awarded a further £140k in revenue funding in March 2018 to support two projects in Littlehampton (£80k) and the expansion of the existing Crawley Town Centre regeneration programme (£60k). This brings the total amount of revenue support grant awarded to the OPE West Sussex Programme to £640k since January 2017, supporting a total of eight projects. Every project included in a bid to the OPE Unit in Cabinet Office is now in receipt of Government funding support – the West Sussex programme is the only Partnership to have achieved this. We are developing a further bid under Phase 7 of OPE, for submission in late November. The outcome of this bid is expected to be known in February 2019.
- 1.2 This is a complex and challenging programme. Individual projects are largely progressing to programme, and work continues as projects develop to quantify the costs and the anticipated beneficial outcomes the programme will deliver. These need to include capital receipts from disposal of surplus assets, new housing, new employment space and jobs, revenue savings through rationalisation of assets and increased co-location of services, and

income generation. Tangible outcomes are measured both for individual partners and collectively to meet the targets set out in the Partnership’s bid submissions. Less tangible outcomes, such as improved service delivery as a result of closer working among partner organisations, will also be captured. It is anticipated at present that the scale of outcomes that will be achieved may be higher than those originally forecast, due to additional opportunities emerging as projects develop.

- 1.3 The OPE West Sussex Programme is closely aligned both to the Growth Programme and the Growth Deals that have been developed by West Sussex County Council and its partner districts, and with the Blue-light sector’s statutory Duty to Collaborate and the new Fire and Rescue Service Inspection regime. A number of projects also contribute to the Community Hubs programme. The OPE programme will contribute to meeting all five of the core priorities in the West Sussex Plan.

2. Proposal

- 2.1 There are eight projects in the current OPE Programme and a further three enabling projects. These are summarised below:

Name	Drayton Depot – combined Highways & Transport and Blue-light facilities
Programme	OPE/3Fire Integrated Transport Function (ITF)
Description	<p>To redevelop the current Highways depot at Drayton to provide the south-west spoke of the ITF Fleet Maintenance facilities, fleet maintenance facilities for West Sussex County Council and to re-provide office and operational facilities for WSCC Highways & Transport staff and contractors.</p> <p>It is proposed that the ITF element will be used to support 3 Fire and Rescue Services (West Sussex, East Sussex and Surrey), 2 Police Services (Surrey and Sussex) and South East Coast Ambulance Service, and contributes to meeting the duty to collaborate for all services in the Policing and Crime Act 2017.</p>
Funding allocation	<p>Revenue: funding for feasibility and project development will be jointly provided from 3Fire and West Sussex County Council funds.</p> <p>Capital: 3Fire has allocated £750k to this project from a Home Office capital grant.</p> <p>The County Council Highways & Transport has a capital allocation in the corporate capital programme for depot improvements.</p> <p>The Strategic Outline Business Case taken through officer governance within the County Council was approved.</p> <p>Capital costs of the project will be shared on a pro-rata basis among partners/occupiers depending on scale of use and occupation.</p>
Projected outcomes	<ul style="list-style-type: none"> • New facilities and accommodation for Highways functions

	<ul style="list-style-type: none"> • New collaborative blue-light maintenance facilities • Revenue savings for the County Council through vacating current leased premises • Revenue savings for emergency services through shared service delivery • Potential income generation from provision of services to external organisations
Status & Timeframe	Viability work has now been completed and is being reviewed. The next stage would be detailed feasibility. A strategic outline business case has been through officer governance for the demolition of 2 derelict cottages on the site.

Name	Hurst Road, Horsham
Programme	OPE
Description	<p>This project is led by Horsham District Council (HDC), and seeks the regeneration and redevelopment of a number of publicly-owned sites along Hurst Road, including Fire, Police and former Ambulance station, Royal Mail, LEP offices, and potentially the Horsham Magistrates Court, subject to Ministry of Justice consultation and decision.</p> <p>Viability work undertaken by Horsham District Council suggests that the combined sites could deliver 300+ new homes, a new hotel, and improved access to Horsham Park.</p> <p>The County Council leads on the linked project to relocate the Fire and Police Services from their current sites to an identified site on the A24 – more details below.</p>
Funding allocation	£60k OPE revenue support grant
Projected outcomes	<ul style="list-style-type: none"> • 300+ new homes • New hotel/hospitality provision • 60+ new jobs • Improved access and public realm
Status & Timeframe	Horsham District Council has undertaken viability work on the whole site. The timing of the regeneration is dependent on the progress of the blue-light relocations, and whether the Ministry of Justice’s decides to include the Horsham Magistrates’ Court.

Name	Blue-light operational and training centre, Highwood, Horsham
Programme	OPE

<p>Description</p>	<p>In order to support the regeneration aspirations for Hurst Road -a strategic site in the Vision for Horsham and the Growth Deal priority - Sussex Police and West Sussex Fire and Rescue Service (WSFRS) have been working to identify alternative sites for both the fire and police stations currently located on Hurst Road. These discussions have led to an agreement to explore the development of a combined centre, accommodating operational and training facilities for both services. This would support the duty to collaborate and support closer working arrangements.</p> <p>A County Council-owned site has been identified on the A24 at Highwood, and feasibility has now been completed. This feasibility demonstrates that the site is suitable for the proposed use and also confirmed that the site could accommodate a specialist blue-light training centre alongside the operational facilities, and could provide dedicated accommodation for the Technical Rescue Unit.</p> <p>Delivery of this scheme would also enable the release of current WSFRS sites at Horley and part of Worthing, as well as at Hurst Road.</p> <p>The potential for implementing innovative energy generation infrastructure at the site has also been explored. This could include wind and solar power, battery storage, and the potential to include charging points for electric vehicles to support the County Council’s sustainability priorities.</p>
<p>Funding allocation</p>	<p>£40k OPE revenue support grant £100k corporate feasibility fund £28k Business As Usual (BAU)</p>
<p>Projected outcomes</p>	<ul style="list-style-type: none"> • New combined blue-light operational and training centre • New dedicated facilities for Technical Rescue Unit • Release of existing sites at Hurst Road, Worthing (part) and Horley with associated capital receipts and/or redevelopment potential • Revenue savings through sharing of facilities and termination of existing training provision contracts • Income generation through provision of training to external organisations and through innovative energy generation infrastructure
<p>Status & Timeframe</p>	<p>Detailed feasibility has been completed. An Outline Business Case to support progression to detailed design and the development of a planning application is being prepared.</p> <p>A public consultation into the impact on fire emergency response was completed in September 2018, with over 60% of responses being positive.</p> <p>County Council Members for Horsham, Horsham District Council</p>

	Members and Jeremy Quin MP have all been briefed on the proposals.
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Name	Blue-light satellite post, Blatchford Road, Horsham
Programme	OPE
Description	<p>A town centre satellite post for Fire & Rescue, Police and possibly Ambulance services is proposed to complement the new facilities at the A24 site. This would maintain facilities for on-call (retained) fire cover, and provide touch-down facilities for SECAMB, and potentially a front counter, office accommodation and interview facilities for Sussex Police.</p> <p>A potential site has been identified in central Horsham. This is owned by the County Council and is currently in use as a day centre provision, but has been identified under the Adults' Services service redesign programme as likely to become surplus to service requirements by 2021.</p> <p>There may also be an opportunity to release a portion of this site for redevelopment. The feasibility of this option is being explored.</p>
Funding allocation	To be confirmed
Projected outcomes	<ul style="list-style-type: none"> • New tri-service town centre post in Horsham • Improved emergency fire response to north east Horsham • Mitigation of impact of move of whole-time fire crews to A24 site • Mitigation of impact on retained crews from station move • Retention of town centre, public-facing police post • Potential capital receipt from disposal of surplus land.
Status & Timeframe	The scheme proposal has been through Fire and Rescue Service governance to confirm its operational suitability. Feasibility is now being undertaken on the site.

Name	Maltravers/Fitzalan Road, Littlehampton
Programme	OPE
Description	Redevelopment of current fire station, library, Baptist Church and former hospital sites to provide new facilities for community-based public services (community hubs, adults' and children's social care, health, etc.) and new housing.
Funding allocation	This project has been awarded a share of the £80k revenue support funding for the two linked projects in Littlehampton.
Projected outcomes	<ul style="list-style-type: none"> • New "hub " for co-located public services, to include community health, library and children and families centre,

	<p>adult day centre, information and advice services, hot desk office space for the County Council, District and partners' staff.</p> <ul style="list-style-type: none"> Up to 100 new homes
Status & Timeframe	<p>Initial feasibility and master-planning were undertaken last year, which demonstrated the overall viability of the site.</p> <p>Detailed feasibility is now underway, alongside the work being done to progress the relocation of the fire station to a new tri-service centre at East Street. A project team has been established, which includes representatives from Arun DC, Coastal West Sussex CCG, County Council project and services staff, Sussex Partnership Foundation Trust, and the Local Community Network (GPs).</p>

Name	Littlehampton: new tri-service centre at East Street
Programme	OPE
Description	<p>In order to support the regeneration aspirations of Arun DC, Coastal West Sussex CCG and the County Council at Maltravers and Fitzalan Roads, WSFRS has agreed to re-locate the current Fire Station from Maltravers Road to a County Council-owned site at East Street. Sussex Police and SECAMB are already located at East Street, and therefore discussions have been held with both these blue-light partners to explore co-location opportunities. These discussions have led to an agreement to explore the development of a combined tri-service centre at this site.</p> <p>Initial viability was undertaken last year to assess the suitability of the site for emergency operational use. This work showed that there is adequate space and access to accommodate the tri-service facilities, and the potential to develop surplus land at the rear of the site for new housing.</p> <p>This development would therefore release both the existing fire station site and the surplus land at East Street for redevelopment.</p>
Funding allocation	<p>This project has been awarded a share of the £80k revenue support funding for the two linked projects in Littlehampton.</p> <p>£75k corporate feasibility funding</p> <p>£6m nominal capital allocation in the County Council's capital programme pipeline, subject to full business case approval.</p>
Projected Outcomes	<p>New blue-light facilities at East Street – new fire station, touch-down facilities for SECAMB, and potential for office and operational accommodation for Police</p> <p>Up to 60 new homes</p>
Status & Timeframe	<p>Detailed feasibility is now underway and is due to report in January 2019. Discussions continue with Sussex Police and SECAMB regarding their requirements.</p>

Name	The Brow, Burgess Hill
Programme	OPE
Description	<p>The proposed project at The Brow included the Fire, Police and Ambulance stations and a health centre owned by Mid-Sussex DC. Similarly to Littlehampton and Horsham above, the relocation of existing fire, police and ambulance stations are the enabling development to release the necessary land for the regeneration of The Brow already planned by Mid-Sussex DC. The overall scheme is intended to provide new housing, a new health centre and improved public realm.</p> <p>Potential has been identified to expand the regeneration with the proposed inclusion of additional sites in The Brow area. It is planned to include them in the Phase 7 OPE bid for some additional revenue support funding.</p>
Funding allocation	<p>This project has been awarded £40k in capacity support funding by Government.</p> <p>There is £10m allocated to Burgess Hill within the Growth Programme and some of this funding may be available to support The Brow's redevelopment.</p> <p>The Strategic Outline Business Case for the OPE blue-light scheme approved an indicative allocation of £6m for this scheme, subject to a full business case.</p>
Projected outcomes	<p>The original scheme was projected to deliver overall:</p> <ul style="list-style-type: none"> • New tri-service blue-light centre • c. £500k in reduced running costs over 10 year period • 240 new homes • c. £1m capital receipt across the public estate (to be further evaluated as project develops) <p>The additional sites could add a further 100 homes, and increase the overall value of the development for all partners.</p>
Status and Timeframe	<p>The County Council has completed viability into the provision of a joint blue-light centre and identified the preferred site as the current Police station site. Discussions are continuing into the use of the police site for wider blue-light use.</p> <p>Mid-Sussex DC has undertaken viability work into the overall redevelopment. However, with the addition of the two new sites, this will need to be revisited. It is hoped that the Phase 7 bid for additional revenue support will provide the funding needed to undertake a revised development appraisal to include the two new sites, the health centre, the fire station and the Ambulance station.</p>

Name	Crawley Town Centre
Programme	OPE/Growth
Description	<p>Regeneration of a number of sites across Crawley Town Centre, including the Town Hall, County Buildings and Centenary House, the Old Library, Crawley College campus site, Telford Place and Crawley Fire Station.</p> <p>This programme is a key element of the Crawley Growth Programme and is jointly led by the County Council and Crawley BC.</p>
Funding allocation	£155k OPE revenue support grant + partner contributions in kind
Projected outcomes	<ul style="list-style-type: none"> • c. 25,000 sq. m commercial/employment space • 800 new homes • New transport and infrastructure • Improved access and public realm • New community-based public services
Status & Timeframe	<p>Initial feasibility has been carried out at each site. Delivery across the Crawley programme will be agreed once all the feasibility investigations have been assessed. It is anticipated that the first tangible outcomes will be ready for occupation from 2021 onwards.</p> <p>The key site for the County Council is the County Buildings/Centenary House site. This is largely unoccupied, and a business case has been developed to progress the demolition of this site.</p>

Name	Crawley Fire Station
Programme	OPE
Description	Redevelopment of the current Crawley Fire Station on its existing site to provide modern, flexible facilities for FRS with new commercial office space or housing above.
Funding allocation	An additional £60k was awarded to the Crawley OPE project to include this scheme and the inclusion of the Crawley College site in the overall town centre regeneration programme.
Projected outcomes	At the fire station site, it is hoped that the proposed redevelopment could deliver the new fire station and up to 3000 sq. m of new commercial space, which would generate income, or up to 30 new flats. These outcomes are speculative at this stage, pending more detailed feasibility and options development.
Status and Timeframe	Initial feasibility has been carried out at the fire station site. It has been agreed with Crawley BC that the County Council will take this project forward as a stand-alone scheme, given its location and need to maintain operational functions.

	It is proposed to commission detailed feasibility for this site early in 2019.
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Name	Pond Road, Shoreham
Programme	OPE
Description	<p>Redevelopment of current Library, Health Centre and vacant care home to provide new community-based public service facilities (health, library, children's and adults' services, neighbourhood policing etc.), and new housing and/or commercial space.</p> <p>The project is being developed in conjunction with the Adur DC-owned community centre located opposite, and will include highways and public realm improvements in keeping with the conservation area.</p>
Funding allocation	<p>£20k OPE grant</p> <p>£35k corporate feasibility fund (project development)</p>
Projected outcomes	<ul style="list-style-type: none"> • New Community Hub, including library and children and families centre, and facilities for adults' services day centre services • New health centre provision (GPs and mental health services) • Office space for public sector staff • New housing on surplus land • Improved access and public realm through pedestrianisation and links with high street • Potential capital receipts from disposals of current buildings which would become surplus
Status & Timeframe	<p>A detailed feasibility study is underway with a report due in January 2019. This will inform the decision whether to move to outline design and planning, with a view to progressing to full business case in late 2019. We are working closely with health, Communities and District colleagues to define and refine the scope of works.</p> <p>A Strategic Outline business case was approved in May 2018 to undertake feasibility into the demolition of the Burrscliffe Care Home in advance of the main scheme. Quotes have now been received to undertake this early phase, and a business case for the procurement of a contractor is due for consideration in November 2018.</p>

Name	Centenary House, Durrington
Programme	OPE
Description	Redevelopment of 3HA site currently accommodating the County Council and Police office buildings to provide new community-

	<p>based public service facilities (health, library, children’s and adults’ services, Coroner’s and Registrars etc.), and release significant land for new housing and/or commercial space.</p> <p>There is the potential for the Durrington Health Centre to relocate into the “hub”, releasing further public sector land close by.</p> <p>Sussex Police are a key stakeholder as they own 40% of the value of the site. The Police Custody Suite on the site is subject to a PFI contract and does not form part of these proposals. Sussex Police are considering their options for future operational use of the site.</p>
Funding allocation	<p>£50k OPE revenue support grant</p> <p>£150k corporate feasibility funding</p>
Projected outcomes	<ul style="list-style-type: none"> • New Community Hub, including a library and children and families centre • New health centre provision (GPs and mental health services) • New adult day care provision • Coroner’s Court • Space for Registrars and Ceremonies • New Police station and office accommodation • Community facilities • Office space for public sector staff • New housing on surplus land • New commercial/retail • Improved access and public realm
Status & Timeframe	<p>A development appraisal, viability assessment and the initial feasibility work are scheduled to be completed in February 2019.</p> <p>Discussions are taking place with Sussex Police about rationalising the ownership arrangements for the site, which may inform how the project is progressed.</p>

3. Resources

- 3.1 The County Council is the lead authority and accountable body for the OPE programme, and hosts a Programme Manager post to provide overall management and support for the Partnership.
- 3.2 The Programme has been awarded £640k in revenue support funding by Government to support project development. This funding is earmarked for specific projects.

- 3.3 Projects led by the County Council are also supported by allocations from corporate feasibility funding, approved through the Council's capital governance processes.
- 3.4 Projects led by partners are funded from their own resources.
- 3.5 There is an expectation, included in the Terms of Reference for the OPE Partnership Board, that where projects involve several partners, each partner will fund their own element of the project.
- 3.6 There is an expectation that as far as possible, projects will generate sufficient capital receipts, revenue savings and/or income to cover their own costs.

4. Issues for consideration by the Select Committee

- 4.1 The Select Committee is asked to review and comment on the programme update and make any recommendations to the Cabinet Member.

5. Consultation

- 5.1 All projects will be subject to individual consultation as appropriate.

6. Risk Management Implications

- 6.1 OPE Programme-level risks are managed collectively by the OPE Partnership Board. Individual projects each have their own risk management frameworks, managed by the appropriate project team and reported through the relevant governance route for that project.

7. Other Options Considered

- 7.1 All projects are currently in early development stages, with options being developed and considered.

8. Equality Duty

- 8.1 Not applicable as this is a general update report. Equality duties will be considered as part of individual projects as they progress.

9. Social Value

- 9.1 The Programme as a whole aims to deliver significant economic growth, place-making, housing and service improvement outcomes alongside financial benefits for all partners. The Programme will contribute to meeting all 5 of the West Sussex Plan priorities. Procurement undertaken under the Programme will ensure inclusion of locally beneficial elements, such as the use of local businesses, establishment of training and apprenticeship opportunities for local people, and the use of local labour force to deliver schemes.

10. Crime and Disorder Implications

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10.1 Not applicable as this is a general update report.

11. Human Rights Implications

11.1 Not applicable as this is a general update report.

Lee Harris

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Background Papers

None