

# Public Document Pack

**Tony Kershaw**

Director of Law and Assurance

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21 January 2022

## Performance and Finance Scrutiny Committee

A virtual meeting of the Committee will be held at **10.30 am** on **Monday, 31 January 2022**.

**Note:** In response to the continuing public health measures, this meeting will be held virtually with members in remote attendance. Public access is via webcasting.

**The meeting will be available to watch live via the Internet at this address:**

<http://www.westsussex.public-i.tv/core/portal/home>

**Tony Kershaw**

Director of Law and Assurance

### Agenda

- 10.30 am     1.     **Declarations of Interest**
- Members and officers must declare any pecuniary or personal interest in any business on the agenda. They should also make declarations at any stage such an interest becomes apparent during the meeting. Consideration should be given to leaving the meeting if the nature of the interest warrants it. If in doubt please contact Democratic Services before the meeting.
2.     **Minutes of the last meeting of the Committee** (Pages 5 - 10)
- The Committee is asked to agree the minutes of the meeting held on 2 December 2021 (cream paper).
3.     **Urgent Matters**
- Items not on the agenda which the Chairman of the meeting is of the opinion should be considered as a matter of urgency by reason of special circumstances, including cases where the Committee needs to be informed of budgetary or performance issues affecting matters within its terms of reference, which have emerged since the publication of the agenda.

4. **Responses to Recommendations** (Pages 11 - 12)

The Committee is asked to note the responses to recommendations made at the 2 December 2021 meeting from the Chairman of the Health & Adult Social Care Scrutiny Committee.

10.35 am 5. **Our Council Plan and Budget 2022/23** (Pages 13 - 206)

The report is presented by the Director of Finance and Support Services. The draft budget for 2022/23 is presented to the Committee for preview and endorsement ahead of the agreement and approval of the Budget at Cabinet on 1 February 2022 and County Council on 18 February 2022. Any issues or concerns raised by the Committee will be considered by the Cabinet ahead of approval at County Council.

The Committee is asked to consider the report and appendices and make any comments to Cabinet to take into account when it considers the draft Revenue Budget 2022/23, draft Capital Strategy 2022/23 to 2026/27, and Treasury Management Strategy Statement 2022/23.

1.05 pm 6. **Requests for Call-in**

There have been no requests for call-in to the scrutiny committee within its constitutional remit since the date of the last meeting. The Director of Law and Assurance will report any requests since the publication of the agenda papers.

7. **Work Programme Planning and possible items for future scrutiny**

The Committee is asked to review its current draft work programme taking into account the Forward Plan of Key Decisions and any suggestions from its members for possible items for future scrutiny.

(a) **Forward Plan of Key Decisions** (Pages 207 - 214)

Extract from the Forward Plan dated 19 January 2022 – attached.

An extract from any Forward Plan published between the date of despatch of the agenda and the date of the meeting will be tabled at the meeting.

The Committee is asked to consider whether it wishes to enquire into any of the forthcoming decisions within its portfolio.

(b) **Work Programme** (Pages 215 - 220)

The Committee to review its draft work programme till March 2022 taking into consideration the checklist at Appendix A.

1.15 pm

8. **Date of next meeting**

The next meeting of the Committee will be at 10.30am on 11 March 2022 at County Hall, Chichester. Probable agenda items include: -

- Performance and Resources Report (PRR) Quarter 3 – December 2021
- Economy Reset Plan
- Asset Strategy and Policy

Any member wishing to place an item on the agenda for the meeting must notify the Director of Law and Assurance by 24 February 2022.

**To all members of the Performance and Finance Scrutiny Committee**

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## **Performance and Finance Scrutiny Committee**

2 December 2021 – At a meeting of the Performance and Finance Scrutiny Committee held at 2.00 pm at County Hall, Chichester, PO19 1RQ.

Present: Cllr Montyn (Chairman)

Cllr Burrett	Cllr B Cooper	Cllr Sparkes
Cllr Boram	Cllr Elkins	Cllr Turley
Cllr Britton	Cllr Hillier	Cllr Wall
Cllr Condie	Cllr Payne	

Apologies were received from Cllr Evans, Cllr Linehan, Cllr Lord and Cllr Bence

Also in attendance: Cllr Hunt, Cllr Marshall and Cllr Waight

### **25. Declarations of Interest**

25.1 In accordance with the code of conduct the following personal declarations were made: -

- Cllr Burrett in respect of item 5, Growth Deals Programme, as a member of Crawley Borough Council
- Cllr Boram, in respect of item 5, Growth Deals Programme, as a member of Adur District Council
- Cllr Elkins, in respect of item 5, Growth Deals Programme, as a member of Arun District Council
- Cllr Hillier, in respect of item 5, Growth Deals Programme, as Cabinet Member for Economic Growth at Mid Sussex District Council
- Cllr Sparkes, in respect of item 5, Growth Deals Programme, as a member of Worthing Borough Council
- Cllr Turley, in respect of item 5, Growth Deals Programme, as a member of Worthing Borough Council
- Cllr Waight, in respect of item 5, Growth Deals Programme, as a member of Worthing Borough Council
- Cllr Walsh, in respect of item 5, Growth Deals Programme, as a member of Arin District Council

### **26. Minutes of the last meeting of the Committee**

26.1 Formatting and spelling to be corrected in resolution 1 in paragraph 20.4.

26.2 Resolved – that with the corrections above, the minutes of the meeting held on 1 November 2021 be approved as a correct record and that they be signed by the Chairman.

## 27. End of September 2021 (Qtr 2) Quarterly Performance and Resources report

27.1 The Committee scrutinised the End of September 2021 (Qtr 2) Quarterly Performance and Resources report by Chief Executive and Director of Finance and Support Services (copy appended to the signed minutes).

27.2 Summary of responses to committee members questions and comments: -

- Although the Council recognised the importance of making homes environmentally friendly, housing was the responsibility of the district and borough councils with the overall planning framework the responsibility of central government
- The reported reduction in the Council's carbon emissions was largely due to lower building occupancy and officers reducing their travel due to the Covid-19 situation – work was starting on a programme to embed carbon reductions in the way the Council carried out its functions going forward so that the reductions could be sustained
- The rising costs due to inflation and pay awards was a risk that would be closely monitored
- Although £10.1m from the covid grant was currently unallocated, there was a concern that this would not cover future costs attributed to covid – the Council was lobbying central government to allow covid grant money to be carried forward
- One-off savings are regularly reviewed to see how and if they can be delivered, if they cannot, they will appear as growth in the following year's budget
- No West Sussex Children Looked After were in unregistered homes
- Changes to the risk register can be highlighted in future reports
- The Council is developing a programme of smarter ways of working including changes to flexible working arrangements and how to realise savings by reducing, or changing, the way buildings are used in future whilst also maintaining staff health and wellbeing as a priority
- Economic recovery from the pandemic is a challenge - initiatives include: -
  - the skills accelerated programme and work with further education is helping to address the skills gap
  - the Research, Innovation in Sussex Excellence (RISE) project will help small and medium-sized enterprises
  - work around the Green Economy
- the Fair Funding methodology when introduced would decrease the Council's aggregate unit cost of services which was currently the second highest in its statistical group as defined by the Chartered Institute of Public Finance and Accountancy
- A query was raised regarding the slippage in the Capital Programme relating to Orchard Street – **Action:** The Cabinet Member for Finance and Property to provide information on the property concerned

- Following the forthcoming closure of Centenary House, Durrington, the Council's offices are moving to Bridge House, Durrington which is being leased for five years and is in a good position geographically to provide local services
- The Council's offices in Littlehampton need around £1.1m spent on them before they can be used – the location of services will be reviewed towards the end of the Bridge House lease as the Council would like a presence in both Worthing and Littlehampton
- The move from Centenary House will reduce the Council's revenue expenditure and carbon footprint and be the main estate saving although more will come from smarter ways of working in the future
- A new code of governance is expected shortly
- The Council's staff sickness rate was higher compared with the average quoted by the Office for National Statistics which is based on the whole UK workforce, rather than just a comparison of public sector figures
- Policies are in place to keep staff fit and well including the rollout of mental health first-aiders and sickness levels are continually monitored
- A request was made to see the breakdown of staff sickness levels by department – **Action:** Sue Evans to provide a breakdown of sickness rates
- The Adult Social Care budget will come under continuing pressure so mitigating actions are very important
- There are concerns that the Care Bill puts more emphasis on back-office work than frontline
- The Council's Quality Assurance Framework for Adults' Services will direct focus where needed on Council services
- **Action:** The Health & Adult Social Care Scrutiny Committee to monitor the situation regarding pressure on the care market including domiciliary care waits and staff shortages

27.3 Resolved – that the committee: -

- i. Welcomes the format changes and additional information included in the report, particularly around the performance and workforce information
- ii. Expresses concern over the climate change targets and whether the Council was doing enough to reduce climate impacts and recognises the need to work in partnership with district and borough councils and the Government to influence planning requirements and guidance in future, particularly in relation to solar panels and electric vehicle charging points
- iii. Recognises the pressures on the Adult and Social Care budgets and welcomed the Health and Adult Social Care Scrutiny Committee monitoring the situation
- iv. Recognises the financial pressures caused by rising inflation and also the pay award settlement that continues to be negotiated nationally

- v. Requests that the service transformation projects include information on the realisation of benefits and efficiencies to be achieved

## **28. Growth Deals Programme**

28.1 The Committee scrutinised a report by the Executive Director for Place Services (copy appended to the signed minutes).

28.2 Summary of responses to committee members questions and comments: -

- Some of the smaller schemes in Arun had not progressed as quickly as anticipated, but the main projects were on track
- The Council did not have a way to measure type of road use and therefore the KPI measured new cycle paths in distance only rather than usage
- Some aspects of the One Public Estate programme are complex and challenging. An example is Littlehampton which involves multiple partners and means projects take longer and are harder to make viable for all partners.
- Consideration of the size or relocation of Littlehampton fire station would be part of the Fire Service's review into its estate
- Adur and Worthing councils were happy with a joint approach to growth deals in their areas when the scheme began but future reporting should separate the deals by council area
- The Pond Road scheme in Adur needs £16m to complete, but only £2m is available for new Growth programme schemes in the capital programme. It is recognised that this is a complex site with multiple owners that has needed a lot of negotiation and discussion
- New Monk's Farm has been developed in Adur providing housing, land for commercial use, a new Gypsy & Travellers site and improvements to the A27
- The County Council is willing to discuss with Adur District Council its growth deal could be refreshed at this point
- In refreshing the growth deals long-standing schemes would be reviewed to ensure they are deliverable and provide the benefits originally envisaged. If they are no longer the right scheme for the area new options will be investigated

28.3 Resolved – that the Committee: -

- i. Welcomes the work in moving the Growth Deal projects forwards
- ii. Recognises the importance of working in partnership and the ability this brings to lever in additional funding from the Local Enterprise Partnership and other funding sources
- iii. Welcomes the levelling up funding for Bognor Regis and Littlehampton and the capital allocation from the County Council
- iv. Recognises that if a proposed scheme is not moving forwards due to partnership or viability issues that these should be re-visited and re-assessed. If a partnership is not working, then



the County Council should consider progressing its elements of the scheme separately if appropriate.

- v. Welcomes the Cabinet Member and officers' commitment to review the Adur growth deal to see how that can be progressed.

**29. Work Programme Planning and possible items for future scrutiny**

29.1 The Committee considered its work programme and possible items for future scrutiny. The Chairman suggested a possible Task & Finish Group on the Capital Programme.

**30. Date of Next Meeting**

30.1 The Committee notes its next meeting will take place on 31 January 2022, commencing at 10.30am.

The meeting ended at 4.32 pm

Chairman

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**Cllr Garry Wall**  
Chairman  
Health and Adult Social Care Scrutiny Committee

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04 January 2022

Via email to Pieter Montyn, Chairman, Performance & Finance Scrutiny Committee.

Dear Pieter,

**Recommendations from Performance & Finance Scrutiny Committee 1 November 2021**

At its meeting on 1 November 2021, the Performance & Finance Scrutiny Committee requested that the Health and Adult Social Care Scrutiny review the cost implications of delayed discharges from hospital for both this Council and the NHS, and to review the continuing pressures experienced in the social care market.

The Committee's Business Planning Group received an update on this subject at its meeting on 14 December 2021. Members understood that this was a resource rather than financial issue at present, and they recognised the current pressures given the age profile of the county and workforce issues. However, it was felt that the longer-term implications of this needed further reflection, in the Summer of 2022. Therefore the Business Planning Group was satisfied with the update, but requested to be kept informed at a later date.

Yours sincerely

A handwritten signature in black ink, appearing to read "Garry Wall". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Cllr Garry Wall  
Chairman, Health and Adult Social Care Scrutiny Committee

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## **Performance and Finance Scrutiny Committee**

**31 January 2022**

### **Our Council Plan and Budget 2022/23**

#### **Report by Director of Law and Assurance**

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#### **Summary**

The draft budget for 2022/23 is presented to the Committee for preview and endorsement ahead of agreement and approval of the Budget at Cabinet on 1 February 2022 and County Council on 18 February 2022. The attached report is presented by the Director of Finance and Support Services. Any issues or concerns raised by the Committee will be considered by the Cabinet ahead of approval at County Council.

#### **Focus for scrutiny**

The Committee should consider the detail included within the attached report and appendices presented by the Director of Finance and Support Services in order to agree any comments or issues it wishes the Cabinet to take into account when it considers the draft Revenue Budget 2022/23, draft Capital Strategy 2022/23 to 2026/27 and draft Treasury Management Strategy Statement for 2022/23.

Key areas for scrutiny include:-

- That Our Council Plan remains relevant and appropriate and continues to prioritise the outcomes we want to achieve for the people in West Sussex;
- Ensuring that the budget presented, including the additional investment to meet demand and other pressures and the proposed savings, are realistic and enable the achievement of the priorities and objectives agreed in Our Council Plan;
- Ensuring that the level of reserves held ensures the County Council remains financially resilient;
- That the change to Council Tax is justified and appropriate to meet the needs of the residents of West Sussex;
- That the Capital Programme and Strategy meet the anticipated future needs of the County Council;
- That the Treasury Management Strategy ensures financial risks are minimised, security of capital is ensured and that the borrowing needs of the capital programme are met within the authorised borrowing limit and the efficient management of funds;
- That the proposed changes to fees and charges:-
  - meet the objectives of cost recovery or meet other financial or policy objectives,
  - are reasonable and meet the needs and priorities of the Council, and
  - that the impact of changes have been considered, with any unintended consequences, and mitigations to address these, identified.

The Chairman will summarise the output of the debate for consideration by the Committee.

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## **Details**

The ambitions of the County Council are detailed in Our Council Plan which covers what the Council will do and the specific targets that will be used to judge performance during the year. The Council Plan, revenue budget and capital programme are now fully integrated through the business planning process.

Business planning continues to be underpinned by a focus on the four priority outcomes (with a cross cutting theme of tackling climate change), which are;

- keeping people safe in vulnerable situations,
- a sustainable and prosperous economy,
- helping people and communities fulfil their potential and
- making best use of resources.

The business planning process matches available resources with the delivery of priority outcomes so that there is a focus on setting a budget which will have most effect for the people of West Sussex. Amendments to the Our Council Plan and Key Performance Indicators are included in Appendix 8, attached.

The draft Revenue Budget for 2022/23, the draft Capital Strategy 2022/23 to 2026/27 and the draft Treasury Management Strategy Statement 2022/23 are set out in Appendix A, attached. The Committee is asked to review the reports, provide any comments for consideration at the Cabinet meeting to be held on 1 February 2022 and endorse the budget being presented. The Committee should focus on ensuring that the budget presented is realistic and enables the achievement of the priorities and objectives agreed in Our Council Plan.

The level of uncertainty around the on-going Covid pandemic, Government funding, inflation, Brexit and staff shortages in key occupations continues to provide a number of financial challenges for 2022/23 and beyond. The impacts have been felt both locally and nationally, making this year's budget setting process challenging.

The net revenue expenditure proposed within the report is £648.3m which is an increase from 2021/22 of £23.5m (3.8%). This reflects spending pressures such as, pay and prices, costs arising from the National Living Wage and the pressures faced in Adults' and Children's Social Care Services.

The total value of schemes in the 2022/23 – 2026/27 capital programme is £755.7m. A borrowing requirement of £44m is required to finance the Council's capital expenditure plans in 2022/23.

The report proposes a Council Tax increase of 2.99%, 1.99% for General Fund services and 1% Adult Social Care precept.

Further background and context to this item for scrutiny are set out in the attached reports (listed below), including resource, risk, equality and legal implications.

Comments from the 26 January 2022 Member Day session on the budget are also presented for the committee to consider, Appendix B, to follow.

**Tony Kershaw**

Director of Law and Assurance

**Contact Officer**

Susanne Sanger, Senior Adviser (Democratic Services), 033 022 22550

**Appendices**

- Appendix A – Our Council Plan and Budget 2022/23
  - Annex 1 - Budget Pack:
    - Appendix 1 – Summary of Revenue Budget and Precept 2022/23
    - Appendix 2 – Analysis of Changes
    - Appendix 3 – Balancing the Budget
    - Appendix 4 – Grants Towards Specific Services
    - Appendix 5 – Reserves
    - Appendix 6 – Detailed Portfolio Pages
    - Appendix 7 – Fees and Charges
    - Appendix 8 – Our Council Plan and Key Performance Indicators
  - Annex 2(a) – Capital Strategy 2022/23-2026/27
  - Annex 2(b) - Treasury Management Strategy Statement 2022/23
  - Annex 2(c) – Prudential Indicators 2022/23 to 2026/27
  - Annex 3 – Equality Impact Assessment
- Appendix B – summary of comments from the Member Development session held on 26 January 2022 for the committee to consider (to follow)

**Background papers**

None

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## Council Plan and Budget 2022/23

### Executive Summary

The importance of the services provided by this Council to the residents, businesses and communities of West Sussex continues to be very evident, especially the crucial support we provide for those in vulnerable situations. As well as responding to Covid-19 we continue to focus, with our partners, on supporting recovery from the longer-term consequences of the pandemic as we plan for the future. We are also influencing and responding to a range of significant national policy developments which will have implications for the Council's services. Our ambitions are captured each year in a detailed Council Plan which covers what we will do and the specific targets we will use to judge our performance during the year. The Council Plan, revenue budget and capital programme are fully integrated through our business planning process.

Our business planning continues to be underpinned by a relentless focus on our four priority outcomes (with a cross cutting theme of tackling climate change), which are;

- **keeping people safe in vulnerable situations,**
- **a sustainable and prosperous economy,**
- **helping people and communities fulfil their potential and**
- **making best use of resources.**

The process matches available resources with our delivery of our priority outcomes so that we focus and protect our efforts and spending where it will have most effect. Our Council Plan has been reviewed in parallel with the budget for 2022/23. As it is aligned to the budget and medium-term financial strategy, it acts as the framework in which investment decisions are made, based on the priorities of the Council and the outcomes we want to achieve for people in West Sussex. We have strengthened our integrated business and financial planning cycle, built on a good understanding of the factors that drive high quality financial management and service delivery, reflecting the national and local policy context, a comprehensive understanding of the financial position (revenue and capital) and the service challenges in supporting the needs of residents, businesses and communities.

Our integrated business and financial planning process brings together our business planning, financial planning and risk management processes. It provides the framework for the County Council's decision making and planning to ensure we are making the very best use of the resources available, understanding the value for money we deliver and at the same time remaining focussed on our priority outcomes. It also ensures we understand the implications of the tough choices that will need to be made in the face of huge resource and demand challenges, as well as the ongoing uncertainties arising from the pandemic, Brexit and outstanding questions about the future of local government funding. Given the level of

uncertainty in future funding pressures and settlements from the Government, effective lobbying with local, regional and national partners to ensure the Government understands the needs of West Sussex residents, businesses and communities will be key.

This budget report forms part of the County Council's approach for financial stability, not only setting out the balanced budget for 2022/23, but also looking over the medium to long term covering the subsequent three year period to 2025/26, whilst ensuring that we deliver on the key priorities within Our Council Plan. Despite significant overall reductions in government funding since 2009/10, the Council continues to make progress in delivering its ambitions on behalf of our residents, while achieving this within the resources available to us.

The proposed budget keeps within the 2% reasonableness threshold for core council tax rises and uses the flexibility to raise a further 1% precept for Adult Social Care. Both of these were announced in the Comprehensive Spending Review in October 2021 and confirmed in the Provisional Local Government Finance Settlement for 2022/23. Using these flexibilities provides us with much needed certainty on funding for 2022/23. It also seals in this funding for future years at a time when the future for local government finance is undergoing considerable change and resourcing our future plans remains challenging.

The County Council continues to focus on the areas which will make the biggest difference to the lives of its residents and the future prosperity of the county. In order to achieve these ambitious objectives in the context of the continuing low levels of public finances, as well as meeting the growing demand of our statutory responsibilities, we propose a core council tax rise of 1.99% plus an additional 1% Adult Social Care precept, giving a proposed total council tax rise of 2.99% for 2022/23.

Net revenue expenditure of £648.342m is proposed for 2022/23, an increase of £23.509m (3.8%) compared with 2021/22. The budget balances spending pressures such as pay and prices, costs arising from the National Living Wage and the service pressures particularly in Adults' and Children's Social Care Services with the funding available from council tax, business rates, fees and charges and grants.

Engagement with members, including two members' briefings during the year, alongside reviews undertaken by scrutiny committees, have kept members informed about the developing budget. Developing this budget has been extremely challenging, set within the context of great uncertainty from the ongoing pandemic. The savings required to achieve a balanced budget for 2022/23, together with early savings plans for 2023/24, are set out in Appendix 3 to Annex 1 (enclosed with the agenda).

The Capital Strategy (Annex 2(a)) is presented alongside the budget report for approval by the County Council. It sets out a high-level, long-term overview of how capital expenditure and capital financing activity contribute to the Council's key priorities in Our Council Plan, together with details of the proposed five-year capital programme. The Capital Strategy includes the Council's Flexible use of Capital

Receipts Strategy, also for approval by the County Council. The Treasury Management Strategy Statement 2022/23 (Annex 2(b)) sets out our Treasury Management activity and is also presented alongside the budget report for approval by the County Council.

**Recommended**

That, taking account of the priorities contained in Our Council Plan, the Medium Term Financial Strategy and the Provisional Local Government Finance Settlement and noting the Director of Finance and Support Services' assessment of the robustness of estimates and adequacy of reserves (Section 6), the following recommendations be approved:

- (1) Our Council Plan and KPI's for 2022/23 (as set out in paragraph 1.7 and Appendix 8)
- (2) Net revenue expenditure in 2022/23 of £648.342m (as set out in paragraph 4.1 and Appendix 1).
- (3) An increase in council tax in 2022/23 of 2.99% comprising 1.0% for Adults' Social Care and 1.99% to support other General Fund services
- (4) The following amounts be approved for the financial year 2022/23 in accordance with Section 42A of the Local Government Finance Act 1992:
  - (a) That the council tax requirement for 2022/23 is £532.646m.
  - (b) The council tax base for the year 2022/23 is the aggregate amount calculated of Band D equivalents by the billing authorities to which the County Council issues precepts totalling 342,374.50.
  - (c) The amount of council tax being the council tax requirement at 4(a) above divided by the council tax base at 4(b) above, shall be £1,555.74 to the nearest penny for Band D.
  - (d) The amount of council tax payable for dwellings listed in a particular valuation band, calculated in accordance with the proportion set out in Section 5(1) of the Act, shall be as follows:

Band	Amount		Band	Amount
A	£1,037.16		E	£1,901.46
B	£1,210.02		F	£2,247.18
C	£1,382.88		G	£2,592.90
D	£1,555.74		H	£3,111.48

(e) That the district and borough councils be requested to make payments totalling £532.646m to West Sussex County Council of sums due under precepts calculated in proportion to their council tax Band D equivalents as set out in section 7 of the report.

(5) The delegation to the Director of Finance and Support Services of authority to make changes to the report on net revenue expenditure or to the precepts required:

- as a result of a change in the council tax base notified by the district and borough councils,
- arising from updated information from the district and borough councils to the council tax collection funds and business rates forecast and collection funds, or
- arising from any funding announcements from central government.

All such changes of funding (positive or negative) to be applied through the appropriate reserve.

(6) These ancillary financial management provisions:

(a) The Capital Strategy for the period 2022/23 to 2026/27, as set out in Annex 2(a).

(b) The Flexible Use of Capital Receipts Strategy as set out within the Capital Strategy, Annex 2(a), section 8.

(c) The Treasury Management Strategy Statement 2022/23, as set out in Annex 2(b).

(d) The Prudential Indicators, as set out in Annex 2(c).

(7) The importance of effective lobbying with local, regional and national partners to ensure the Government understands the needs of West Sussex residents, businesses and communities.

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## **Section One: Introduction**

- 1.1 The pandemic has continued to dominate events during 2021, with associated financial impacts and implications, which are likely to extend beyond 2021/22. The uncertainty caused by the pandemic has been added to by other events impacting upon the economy such as staff shortages in key occupations, including social care and drivers. The Office of Budget Responsibility (OBR) has indicated that the economy is recovering faster than originally expected from the impacts of the pandemic and growing at a faster rate than anticipated with unemployment at a lower rate than previously predicted. Inflation continues to run high with the latest figures revealing the cost of living rose by 5.4% in the twelve months to December, its highest rate in 10 years. In addition, the Bank of England took the decision in December 2021 to increase the bank rate by 0.15% to 0.25% which will also have an impact on the economy over the coming year.
- 1.2 During the last financial year, the Council has implemented Our Council Plan which brings together the overarching service delivery and community objectives with the resources that underpin their delivery. This approach has been embedded within the performance management arrangements through the introduction of the Performance and Resources Report (PRR) presented quarterly to all scrutiny committees and Cabinet. This report replaces the Quarterly Performance Monitor (QPM).
- 1.3 The pandemic continues to provide challenges, both service and funding related, in terms of new variants of the disease, the changing public health requirements, the demand for services, in particular social care, and the unfolding implications upon council tax and business rates collection. However there have been additional challenges in 2021/22 such as the inflationary impact of changes in relation to staff shortages and utility costs, alongside the need for public services to respond to the Afghan refugee crisis.
- 1.4 Our Council Plan has been updated in parallel with the development of the budget for 2022/23. As it is aligned to the budget and medium-term financial strategy, it acts as the framework in which investment decisions can be made based on the priorities of the County Council and the outcomes we want to achieve for people in West Sussex.
- 1.5 The Government announced a three year Spending Review (SR21) in October 2021, covering the financial years 2022/23 through to 2024/25 although the Provisional Local Government Financial Settlement in December 2021 was a one-year settlement only and therefore there remains uncertainty around funding in the medium term.

- 1.6 Our improvement journey includes the redesign of business processes to transform services, reduce costs and manage demand. Funding for the work to achieve these ongoing improvements will come from either the flexible use of capital receipts or the Service Transformation Reserve. The Flexible Use of Capital Receipts Strategy, which is included in the Capital Strategy (**Annex 2(a)**), outlines the approach.

### **Our Council Plan**

- 1.7 The County Council's integrated business and financial planning cycle is based on a good understanding of the local evidence base, the national and local policy context, a comprehensive understanding of the financial position (revenue and capital) and the service challenges in meeting the needs of residents, businesses and communities.
- 1.8 Our Council Plan, underpinned by the cross-cutting theme of tackling **climate change**, sets out our four key priorities:
- **Keeping people safe from vulnerable situations;**
  - **A sustainable and prosperous economy;**
  - **Helping people and communities fulfil their potential and**
  - **Making the best use of resources**
- 1.9 In the update of Our Council Plan and the Medium-Term Financial Strategy (MTFS) presented to Cabinet in October, it was noted that the outcomes and priorities in Our Council Plan must remain relevant and appropriate as we move forward into a new planning cycle. It was agreed that it was important to keep them under regular review. For the forthcoming business planning and budgeting cycle, the existing priorities and outcomes remain relevant and appropriate in the context that West Sussex County Council is operating.
- 1.10 As set out at October's Cabinet, we have reviewed the introduction to the plan and the Key Performance Indicators (KPIs) as services have refreshed what is being delivered for 2022/23. While the vast majority of KPIs remain appropriate, it is recommended that a number should be updated. A table at **Appendix 8** sets out which KPIs are recommended to be changed, the reason for the proposal and the detail of the new KPI. A slightly revised introduction to the plan, which reflects the current context, is also attached at **Appendix 8** for approval.

### **Managing the Pandemic in 2021/22**

- 1.11 The implications of the pandemic for service delivery are continuing to emerge and will continue to do so in 2022/23. The impacts upon the delivery of social care services continue to be felt acutely, not least reflected in the extension of infection control measures and associated funding through to the end of March 2022. West Sussex County Council has adopted a pragmatic approach to the use of the funding

available, with the Executive Leadership Team playing a key governance role in determining how to distribute funding where there is local discretion over its use, noting the flexibility which has been recently announced to carry over uncommitted funding into 2022/23.

- 1.12 In recognition of the rapidly changing circumstances relating to the impact of the pandemic, it is too early to know the cost implications of the pandemic for 2022/23, consequently no cost pressures have been factored into the budget at this stage. However, it is acknowledged that there is significant risk, particularly around the rapidly increasing cost of care, and it is expected that these pressures would be met either through new government funding or uncommitted funds in 2022/23. Implicit within this assumption is the expectation that the Government will continue to provide additional funding to address specific issues and pressures emerging as a consequence of the pandemic, as it has to date.

## **Section Two: Spending Review and Financial Settlement**

### **Spending Review 2021 (SR21)**

- 2.1 The SR21 announcements directly impacted the planning for the 2022/23 budget for West Sussex County Council. The most significant aspects were in relation to the following:
- a. The council tax referendum threshold for increases in council tax remains at 2% per year with local authorities with social care responsibilities able to increase the Adult Social Care precept by up to 1% per year. The SR21 reflects assumptions on the level of the Core Spending Power (CSP) for local authorities. The CSP across the three years of the SR21 has assumed that local authorities will increase council tax by the maximum allowed, i.e., for West Sussex County Council (WSSCC) this would be 2.99% in 2022/23 and will be considered in the amount of government grant received by local authorities.
  - b. Local government to receive £4.8bn (approx. £1.6bn annually) of new funding over the three-year period for social care and other services to cover costs of vital services and additional National Insurance contributions.
  - c. Schools allocated an extra £4.7bn over three years for core budgets. A further £1.8bn has been targeted at Education Recovery and £2.6bn is intending to provide 30,000 new Special Education Needs and Disabilities (SEND) school places.



- 2.2 In addition, the Government has recently published 'Building Back: Our Plan for Health and Social Care' and a white paper called 'People at the Heart of Care'. The key headlines included:
- a. 1.25% increase in national insurance, from April 2022 ringfenced for health and social care (public sector to be compensated for increased cost of levy)
  - b. Taxation increase will raise around £36bn over the next three years. Of this, only £5.4bn will be invested in adult social care with the remainder going into the NHS
  - c. The distribution methodology for the local government £5.4bn will be published later
  - d. £86,000 cap on total care costs and means-testing for financial support will be implemented from October 2023
  - e. Self-funders will be entitled to access care rates paid by Local Authorities.
- 2.3 The detail on the way in which the proposals will operate remains to be published and therefore the potential financial implications are not yet known. However, Government have stated "we expect demographic and unit cost pressures will be met through council tax, social care precept, and long-term efficiencies" and through the SR21, have provided scope for local authorities to levy an additional 1% Adult Social Care precept on council tax, which for WSCC would deliver an additional £5.1m of funding. This would support a more sustainable financial outlook for Adult Social Care services.

### **Local Government Finance Settlement**

- 2.4 The Provisional Local Government Finance Settlement, published on 16 December, provided confirmation of the key announcements outlined in the SR21:
- A maximum increase in precept of 2.99% - a core increase of 1.99% and up to 1% for Adult Social Care Precept
  - An increase in Core Spending Power of 6.9% in cash terms, assuming all authorities levy the maximum precept allowed in 2022/23
  - Of the £1.6bn announced in SR21, £70m will be used to apply inflation to RSG, £63m for Improved Better Care fund (iBCF), £636m for additional social care grants, and £822m for the one-off new Services Grant to cover costs of vital services and additional National Insurance contributions

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- £162m to support local authorities as they prepare for the adult social care reform and to help move towards paying a fair cost of care
- A further year added of the New Homes Bonus

2.5 Key funding announcements for WSCC in the Provisional Settlement are (with 2021/22 figures shown for comparison):

	2022/23	2021/22
Settlement Funding Assessment (excluding s31 grant)	£79.269m	£79.257m
Improved Better Care Fund	£20.612m	£20.006m
Social Care Support Grant	£25.827m	£18.169m
2022/23 Services Grant – one off	£5.464m	n/a
Market Sustainability and Fair Cost of Care (included within Adults Services portfolio)	£2.230m	n/a
New Homes Bonus	£1.959m	£2.352m

### Local Government Funding Outlook

- 2.6 The settlement was for one year only with the priority being “stability in the immediate term”, with a more fundamental review of local government funding starting in 2022. The government “is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources” but there is no certainty over funding allocations for the medium term. It is anticipated the impact will be phased over two years but the full implications remain unknown.
- 2.7 The additional costs of implementing social care reforms are unknown although early modelling by the sector suggests significant additional costs. It is unclear whether the current funding available for market reforms will be sufficient.
- 2.8 There continues to be a possibility that income derived from both council tax and business rates will be adversely affected as the economy adjusts to the impact of Covid-19 and Brexit. Both of these aspects will be kept under review.
- 2.9 The financial difficulties faced by local authorities have been highlighted in particular by the experiences of the London Borough of Croydon and Nottingham City Council, emphasising the importance of prudence and financial resilience. WSCC continues to demonstrate these qualities, as reflected within the external audit report for the financial year 2020/21 and the prioritisation of maintaining our reserves at an appropriate level.

## **Section Three: Medium Term Financial Strategy 2022/23 to 2025/26**

### **2021/22 Budget Position**

- 3.1 The September 2021 forecast outturn position (reported to [Cabinet](#) in December 2021) shows an overspend of £1.386m which will be managed through further management actions and/or the use of the revenue contingency. This overall position assumes the costs relating to the pandemic will be fully funded from grants and partner contributions received.
- 3.2 The County Council has continued to respond to the pandemic and its impact on the services delivered to residents. Uncertainty with regards to the ongoing impact on demand and the cost of council services remains. These uncertainties, coupled with the changeable short-term economic outlook, make forecasting the end of year outturn position difficult. Ongoing economic implications on services will continue to be closely monitored.

### **Next Four Financial Years: 2022/23 to 2025/26**

- 3.3 Throughout 2021/22 a programme of work has been undertaken to review the MTFS and set a balanced budget. However, there remains significant uncertainty around funding from 2023/24 onwards with the review of government's funding methodology due to commence in early 2022. The Fair Funding Review and changes to the business rates retention scheme, originally planned to be implemented from April 2020, has been postponed for a number of years and has, therefore, delayed the impact on local authorities' funding assumptions. The Government are committed to implementing the changes and it is expected that there will further indication of the impacts by the summer 2022. The current MTFS assumes the impact from the implementation of the funding distribution methodology changes will be phased across 2023/24 and 2024/25. The assumptions underpinning the MTFS can be found in Table 3 below.
- 3.4 In addition, the social care market remains fragile and early modelling indicates substantial additional costs associated with social care reforms. It is assumed that funding will be provided but there is a risk this will not be adequate to cover the additional costs. The current medium-term position is set out in Table 2 below, reflecting a balanced budget for 2022/23, in accordance with WSCC's statutory responsibilities:

**Table 2: Medium-Term Financial Strategy**

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Funding</b>				
Council tax	532.6	554.1	576.3	593.7
Settlement Funding Assessment	87.3	73.9	71.3	73.1
Non-Portfolio Specific Grants	33.2	25.8	25.8	25.8
Collection fund deficit	-4.8	-1.8	-	-
<b>Total Funding</b>	<b>648.3</b>	<b>652.0</b>	<b>673.4</b>	<b>692.6</b>
<b>Expenditure</b>				
Adults Services	215.9	235.7	244.5	258.1
Children & Young People	139.3	145.8	146.2	147.6
Community Support, Fire & Rescue	45.1	46.7	46.2	46.1
Environment & Climate Change	62.1	64.5	63.9	63.8
Finance & Property	25.1	26.5	26.5	26.8
Highways & Transport	41.4	43.0	42.5	42.3
Leader	2.9	2.9	2.9	2.9
Learning & Skills	29.0	31.6	32.7	34.0
Support Services & Economic Development	41.5	42.5	42.0	41.9
<b>Service Expenditure</b>	<b>602.3</b>	<b>639.2</b>	<b>647.4</b>	<b>663.5</b>
<b>Non Portfolio</b>	<b>46.0</b>	<b>38.5</b>	<b>44.0</b>	<b>48.8</b>
<b>Net Expenditure</b>	<b>648.3</b>	<b>677.7</b>	<b>691.4</b>	<b>712.3</b>
<b>Budget Gap</b>	<b>-</b>	<b>-25.7</b>	<b>-18.0</b>	<b>-19.7</b>

NB: Future years (2023/24 onwards) include assumptions relating to savings as well as demographic and inflationary changes.

3.5 The means of providing a balanced budget proposal has considered a combination of a number of moving factors (the assumptions are detailed in Table 3 below):

- Savings proposals
- Demand pressure estimates
- Local Government Finance Settlement
- The rate of inflation as reflected by the Consumer Price Index in September 2021 and OBR economic forecasts published in October 2021
- Pay inflation
- The outlook for future council tax and business rates collection

**Table 3: Key Assumptions**

<b>Key Assumption</b>	<b>Financial Implications</b>
Fairer Funding – Settlement Funding Assessment	Changes resulting from the implementation of changes to the distribution methodology are phased across 2023/24 and 2024/25.
Covid-19	Assumes existing grant funding will provide the necessary cost resilience to deal with the on-going impact.
Council Tax	That the current cap on increases in council tax (1.99%) plus the additional 1% social care precept flexibility will be maintained across the period of the three year spending review. For 25/26 the 1.99% only is assumed.
Collection Fund	The phased deficit from 2020/21 is included in 2022/23 and 2023/24 and funded through the Budget Management Reserve. A provision for a projected deficit of £3m from 2021/22 is included in the 2022/23 figures. Any variance will be managed through the Budget Management Reserve.
Tax base	That the number of households will grow by 1% each year from 2023/24. For 2022/23 tax base growth is at 1.5% based on latest data from districts and boroughs.
Business Rates	No growth in the rates base assumed. It is assumed the baseline will increase in line with RPI.
Social Care Funding Grant	That this will be maintained at the 2022/23 level of £25.8 million.
New Homes Bonus	Continuation of New Homes Bonus is confirmed at £2m for 2022/23

	but no further funding assumed for the remainder of the MTFS.
<b>Financial Implications of Our Plan for Health and Social Care</b>	It is assumed that further costs associated with implementing the process changes and financing additional costs will be met by government funding.
Pay and Price Inflation	<p>Pay assumes an increase of 2.5% in 2021/22 and 3% in 2022/23 with a 2% increase assumed across the remaining years of the MTFS.</p> <p>Employer’s pension contributions are reduced by a further 1% in 2022/23.</p> <p>Additional NI contributions (1.25%) for the Health and Social Care are included for the duration of the MTFS.</p> <p>Price inflation for 2022/23 is set at 3.7% to align with the OBR forecast for 2022/23 financial year and in addition inflation has been included for high value contracts, dependent on the specific indexing included within the contract. For 2023/24 onwards, the latest OBR forecasts have been applied. A further £2.9m is included in the contingency for 2022/23.</p>

- 3.6 A summary of the movement of the 2022/23 budget gap since October 2021 is detailed below in Table 4:

**Table 4: Movement in Budget Gap – from October 2021**

	<b>£m</b>
<b>Net Budget Gap – October Cabinet</b>	<b>2.5</b>
<b>Funding Changes</b>	
Adult Social Care precept	-5.1
Services Grant 2022/23 - one off	-5.5
Social Care Grant – additional	-7.7
<b>Expenditure Changes</b>	
Pay and price inflation provision	7.7
Impact of NI 1.25% directly employed staff	1.4
Impact of NI 1.25% increase on external providers	2.6
Social Care Pressures	5.0
Other changes	-0.9
<b>Updated Budget Gap</b>	<b>0.0</b>

## Reserves

- 3.7 Reserves held by WSCC ensure that there is financial provision set aside to meet known future one-off commitments or liabilities, known as earmarked reserves, but also as a means of ensuring financial resilience against unknown events and risks, known as general reserves. In the context of the current circumstances of a pandemic and a significant period of change and financial challenges, it is critical that WSCC continues to maintain an appropriate level of both earmarked and general reserves, recognising that by definition these reserves can only be used once.
- 3.8 The Medium Term Financial Strategy is a key tool in ensuring that reserves are maintained at an appropriate level. Whilst the use of specific reserves can be appropriate to support the delivery of services, other reserves will need to be replenished to maintain effective financial resilience and risk management. The one-off nature of reserves and their purpose consequently serves to demonstrate the importance of revenue budgets being sustainable rather than depending upon the use of reserves. The proposals within this report fundamentally underpins this reality.
- 3.9 The overall projected levels of usable reserves and balances are formally reviewed annually. Earmarked reserves (excluding schools) are forecast to stand at £182.2m by 31<sup>st</sup> March 2022, with a further £20.3m held in the General Fund reserve.
- 3.10 The Budget Management Reserve is used to provide a stable platform for service planning as the MTFs is developed and it is the first call on the County Council’s resources to deal with any unforeseen in-year expenditure if the revenue contingency budget of £9.2m was exhausted. The balance on the reserve as at 1 April 2021 was £54.4m and it is

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anticipated that the balance will be £58.5m at the end of 2022/23. The reserve provides a safety net against a number of critical assumptions around funding, the non or late delivery of savings in 2022/23 and any legislative or accounting changes imposing new burdens. Given the current unprecedented challenges, it is even more important to hold this reserve.

- 3.11 One key change as a result of the funding received from central government as part of the SR20, is the County Council is anticipating holding £15.9m in the Covid-19 Fund at 31 March 2022. It is expected that all this Covid Fund will be deployed in 2022/23 and as allocations are determined funds will be drawn down to the revenue budget during the year to meet additional pressures arising from the pandemic.
- 3.12 In addition, £5.0m has been set aside to cover emerging costs in social care in 2022/23.
- 3.13 The Service Transformation Fund is currently forecast to have a balance of £2.3m at 31 March 2023. Funds will be drawn down to the revenue budget during 2022/23 as required. It is planned to use this reserve to fund a number of the County Council's transformational projects during 2022/23:
- Continued support for the transfer of the remainder of the support services ahead of the contract end in September 2022,
  - costs supporting the implementation of Oracle Fusion which covers Finance, HR and Procurement processes,
  - Better Use of Technology within Children Services through a new recording system to ensure a coherent and connected view of an individual child through system consolidation and integration,
  - any further investment in the County Council's Improvement Programmes.
- 3.14 Any drawdowns from the reserve will be reported in the quarterly Performance and Resources Report. An alternative source of funding for these transformational activities could be capital receipts, in line with the Flexible Use of Capital Receipts Strategy. The application of this strategy would depend on the level of capital receipts which the County Council is able to secure.
- 3.15 Given the County Council is facing such a challenging financial future, it will therefore be crucial that reserves, both general and earmarked, continue to be managed in the medium term in a way that gives due regard to the need to set a legally balanced budget.



## Inflation

3.16 The total included for pay and price increases is £25.205m, as shown in column 2 of **Appendix 2**. The budget does not provide for a general or across the board inflation uplift but focuses on targeted provision for areas most under pressure. The approach to allowing for price rises has been as follows:

- Pay budgets – currently the 2021/22 pay uplift for local government employees (NJC) has yet to be confirmed and as a consequence planning for future years is a challenge. Furthermore, the cost of living increase is forecast to remain high adding further pressure to the uplifts awarded. For budget purposes, a provision of 2.5% has been assumed for 2021/22 and 3.0% for 2022/23, with the former part funded from the £2.2m set aside in a pay contingency as part of the 2021/22 budget. Where the pay awards announced exceed the sum provided this will be managed from the general contingency.
- National Insurance - the budgets include the employers' cost of the 1.25% increase for the Health and Social Care levy. Local government authorities have been reimbursed for this cost in 2022/23 through the one-off Services Grant.
- With cost-of-living increases predicted to rise further in the coming months, inflation has been set at 3.7% to align with the OBR's forecast for the 2022/23 financial year. In addition, a range of inflationary increases have been also included for high value contracts within the portfolio budgets, dependent on the specific indexing included within the contract. In recognition of the continuing rise of inflationary pressures and the impact this will have on the County Council, an additional £2.9m has been set aside within the contingency.
- To recognise the increased costs on the corporate estate resulting from the escalation in gas prices, an inflationary increase of 30% (£0.2m) has been provided for energy costs. This is primarily for expenditure on gas as increased costs in electricity are currently manageable through lower occupancy of buildings and increased income from our solar and battery storage farms.
- An assumed 4.9% (September RPI) on areas of discretion over income, as set out below in paragraph 3.18.

3.17 Overall, other than the inflationary adjustments set out in 3.16 above, service budgets are cash-limited and therefore no resources are included centrally to adjust those cash-limits if actual inflation experienced in individual service areas exceeds the allowance made. In this event, services will be required to manage within the proposed cash limited budget. If, over the longer term, actual inflation exceeds the County

Council's assumptions in the MTFs, this could potentially add significantly to the budget pressures we face.

### **Fees and Charges**

3.18 The proposal for any changes or increases to discretionary fees and charges are detailed in **Appendix 7**. The level of fees or income generated is influenced or dictated by a number of factors; the Localism Act 2011 and Local Government Act sets out the general legal framework regarding charging for services, as well as this, there are various other specific legal provisions and local policy objectives. The broad categories of the fees and charges can be also found in the Glossary of Terms within **Appendix 7**. Generally, in line with the County Council's policy to budget for cost inflation, the County Council increases its fees and charges by the published September Retail Price Index (RPI) rate which as at September 2021 increased by 4.9%.

### **Sources of Financing**

3.19 The proposed budget has been developed to align with the priorities set out in Our Council Plan, and against a background of uncertainty for local government funding as the settlement was one year only and the review of funding methodology for the medium term due to commence in 2022.

#### **Settlement Funding Assessment**

3.20 The Provisional Local Government Finance Settlement, announced on 16 December 2021, confirmed the Settlement Funding Allocation (SFA) as £79.3m:

	2021/22	2022/23
	£m	£m
West Sussex	79.3	79.3
England	16,206.7	16,282.2

#### **Business Rates: Baseline Funding Allocation**

3.21 The West Sussex district and borough councils have yet to confirm their business rate estimates for 2022/23 and in recognition of the uncertainty the business community still faces from the pandemic and the exit from the European Union, the County's 2022/23 budget assumes there will be no growth in excess of the business rates baseline.

3.22 As in previous years, we are also expecting to receive grant compensation to recognise government decisions on limiting the increase in business rates. This compensation is estimated at £8.0m in 2022/23, though a final figure will be confirmed when estimates of the business rate take for 2022/23 is supplied by districts and boroughs.

- 3.23 Given business rate estimates are not anticipated until late January, any variation from the assumed income for business rates will be adjusted through the Budget Management Reserve.

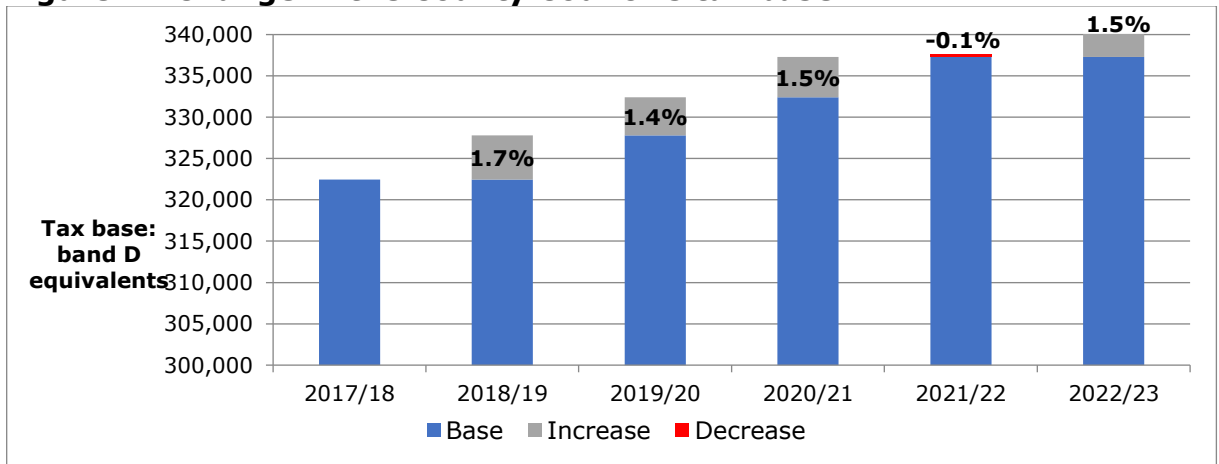
**Business Rate Pooling**

- 3.24 For 2022/23, the West Sussex authorities will once again operate as a pool for business rate purposes. The arrangement will consist of the County Council, Adur, Arun, Horsham and Mid Sussex District Councils. Based upon early estimates, the pool is expected to deliver £5.5m for investment in projects.
- 3.25 For the current year, the West Sussex authorities chose to opt out of the business rate pool arrangement due to risks and economic uncertainty of the UK’s exit from the European Union and the impact on the local economy of the pandemic.

**West Sussex Local Tax Base 2022/23**

- 3.26 The impact of the pandemic on employment and claimants for council tax support resulted in a small reduction in the tax base for the current year. Initially, the tax base was expected to show only early signs of recovery in 2022/23 but estimates from the district and borough councils support a growth assumption of 1.5%. Figure 1 sets out the movement in the tax base since 2017/18.

**Figure 1: Change in the County Council’s tax base**



- 3.27 If the final figure is lower than the level assumed, the authority will use its Budget Management Reserve to cover the difference to avoid sudden and late reductions causing last minute service cuts. Assumptions will be reviewed during next year when the MTFS is refreshed.

**Collection Fund**

- 3.28 District and borough councils operate a collection fund for both council tax and business rates, which they are responsible for collecting. The actual tax collected may be more or less than expected, meaning that a surplus

or deficit must then be allocated to the responsible local authorities in the following year.

- 3.29 Due to the economic impact of the Covid-19 pandemic and the impact on employment and businesses, authorities are facing significant deficit repayments on their collection funds for 2020/21.
- 3.30 In recognition of this, the then Secretary of State for MHCLG, Robert Jenrick, announced on 2 July, that *"the repayment of collection fund deficits arising in 2020/21, will be spread over the next three years rather than the usual period of a year, giving councils breathing space in setting budgets for next year"*.

### **Specific Grants**

- 3.31 Alongside the SFA, the Government also provides various specific grants. For 2022/23, the non-portfolio specific grants include:
- Social Care Support Grant – £25.8m, an increase of £7.7m from 2021/22 to help support the financial sustainability of the care market and help address core pressures in social care
  - Market Sustainability and Fair Cost of Care Fund - £2.2m to enable local authorities to begin preparing social care markets for reform
  - Services Grant - £5.5m one-off 2022/23 grant to cover inflationary pressures and additional National Insurance contributions
  - New Homes Bonus – £2.0m to reflect legacy payments relating to 2018/19 and 2019/20 plus an allocation for housing growth in 2021/22
- 3.32 In addition, the portfolio budgets include service specific grants such as the Improved Better Care Fund and Dedicated Schools Grant. A summary of all known specific government grants, both service and non-portfolio, are detailed in **Appendix 4** of the Budget Pack.

## **Section Four: Revenue Budget Proposals for 2022/23**

- 4.1 After considering the Provisional Local Government Finance Settlement announcement, the budget assumptions for price inflation, business rates and council tax and the savings proposals, net revenue expenditure of £648.3m is proposed for 2022/23. This is an increase of £23.5m (3.8%) compared to 2021/22, as shown in Table 5 below. The net revenue expenditure shown is based on the most up to date information at the time of writing this report and may be subject to change. This is because information is still awaited in some instances regarding funding, such as from the district and borough councils on business rates proceeds.

**Table 5: Summary of Change in Net Budget**

Item	£m	£m	%
Approved net revenue expenditure 2021/22		624.833	
Allowance for pay and price rises	25.205		4.0
Service commitments and changes	18.047		2.9
Non-portfolio commitments and changes	-8.710		-1.4
Balancing the budget	-11.033		-1.7
Net increase		23.509	3.8
Net revenue expenditure 2022/23		648.342	

### Changes to Portfolio and Non-Portfolio Budgets

- 4.2 The proposed changes to the budget for 2022/23 are explained by portfolio in the following paragraphs. These changes include growth to meet changing pressures of £31.6m, the removal of the one-off grants including the Covid-19 Grant and Local Council Tax Support Grant totalling £22.2m, pay and price changes of £25.2m (detailed in paragraph 3.16 above) and balancing the budget activities of £11.0m.

### Adults Services

- 4.3 The Adults Services budget for 2022/23 allows for net expenditure of **£215.9m**. Around 95% of this relates to the cost of funding the social care needs of residents who meet the national eligibility criteria introduced by the Care Act in April 2014.
- 4.4 It has been prepared against a background of significant service-related risks:
- i. Demography. A growing population and rising complexity of needs are increasing demand for adult social care as well as making it more expensive to meet care needs. This applies equally to working age customers with disabilities as it does to older people, on both of which groups the County Council spends around £100m. During the last five years these pressures have translated into annual increases in cost that have averaged approximately 1.5% more than the inflationary uplifts that have been paid to providers. For older people the outcome is that the gross cost of a care package now exceeds £500 per week. For working age customers the figure is around £750 per week.
  - ii. Covid-19. The pandemic continues to impact heavily upon providers. This is producing turbulence in the care market, exacerbated by the challenge of recruiting and retaining staff together with rising inflation. When combined with the pressure that the need for rapid hospital discharges is causing, the outcome is an increasing mismatch between demand and supply.

On a like-for-like basis this is resulting in the County Council having to pay more for the care that it purchases.

- iii. National Living Wage (NLW). Pay is the largest element of care providers' costs and so the National Living Wage (NLW) increase creates an obvious knock-on implication for the County Council. For 2022/23 the hourly rate will rise by 6.6% to £9.50 per hour. Whilst specific funding is not provided to local authorities to meet this cost, the state of the care market in West Sussex leaves the County Council with little alternative than to plan to pay providers a level of increase greater than a standard inflationary uplift. This is a risk that has led the NLW to be recognised as a growth pressure every year since it was introduced in 2016/17. The case for doing this in 2022/23 has been made stronger still by Covid-19 and the growing evidence that leaving the European Union has adversely affected the supply of care workers.
- iv. National Insurance cost increase. As a prelude to the introduction of the new Health and Social Care Levy in April 2023, National Insurance contributions will rise by 1.25% in 2022/23. Although this will generate additional revenue for health and social care nationally, it will compound the financial pressures that providers are facing. As such it will inevitably become a cost that will be passed to local authorities when care is purchased in the market.
- v. Social Care Reform. The Government has recently published 'Building Back: Our Plan for Health and Social Care' and a white paper called 'People at the Heart of Care'. Details of the way in which the proposals will operate remains to be published, which makes it almost impossible to model the potential financial implications with any certainty. Nevertheless, it is clear that they will result in a significant cost burden being passed to local government due to the way in which the care cost capping arrangements will operate. The risk attached to this is greatest for local authorities in relatively affluent areas of the country such as West Sussex where self-funders are more likely to benefit most from the reforms. Much less obvious is the extent to which councils will be funded for this. Although Government has highlighted the £12bn of resources that the Health and Social Care Levy will raise each year, only £5.4bn or 15% of the £36bn that will be generated during the first three years is earmarked for social care. The remaining £30.6bn will be directed towards the NHS and the devolved administrations, so any significant uplift in funding for local government is backloaded for the medium term. Achieving this, though, will require money to transfer from the NHS to local government, which is an outcome that history shows is difficult to realise.

- vi. Market Sustainability and Fair Cost of Care Fund. In readiness of the white paper becoming law, Government has introduced this fund. £162m will be allocated in 2022/23, of which the County Council's share is £2.23m. It is available to "ensure local authorities can prepare their markets for reform..... and move towards paying providers a fair cost of care...by genuinely [increasing] care rates". Since a condition of receiving future funding is that local authorities will report on "how money has been allocated in line with our expectations", the County Council will passport it in full to the Adults budget.
- 4.5 None of these issues are unique to West Sussex and all local authorities with social care responsibilities are facing similar challenges. Within 'Building Back' Government stated "we expect demographic and unit cost pressures will be met through council tax, social care precept, and long-term efficiencies" which makes it plain that a significant increase in government funding to address the challenges facing adult social care is highly unlikely to occur. For 2022/23 this means that the County Council will be allocating an additional £24.2m to the Adults budget to fund these pressures:
- i. Demography - £7.5m
  - ii. National Living Wage - £5.4m
  - iii. Inflation - £9.3m
  - iv. External providers – impact of National Insurance increases - £2.0m
- 4.6 As a contribution towards paying for that growth, the County Council is proposing to utilise its freedom to raise an Adult Social Care precept of 1%, which will generate £5.1m and so help a more sustainable funding position to be achieved.
- 4.7 A further £10m will be made available from the Improved Better Care (iBCF). This is a grant which has been in place since 2017/18 and is now worth £20m per year. Since it has always been subject to an annual review process, its longevity has not been assured and so the County Council has chosen to treat it as one-off funding. In practice, however, almost all local authorities now regard it as a permanent source of resources, because if it was to be withdrawn the impact on adult social care nationally would have an extremely detrimental effect on the delivery of services. Of its three main purposes, one is to meet care needs as part of sustaining services, which makes the use of the iBCF to part fund the cost of the growth in the budget entirely legitimate. It also avoids the need to make compensating savings of £10m which otherwise would have to be delivered corporately. Whilst the amount of money for time-limited investments will be reduced, that constraint created practical issues of its

own. Nevertheless, it has helped ensure that the Adults portfolio has not overspent since 2017/18, so the choice is not without consequence and will add to the need for the budget to be managed actively at day-to-day level.

- 4.8 In that context equally important is the new Adults Strategy, which will reaffirm the importance of promoting independence and person-centred care as enablers of better care outcomes for people. This ambition is fundamental to delivering better value for money and, therefore, is at the heart of the business as usual savings of £6.9m outlined in **Appendix 3**.
- 4.9 The key explanations of the changes in the 2022/23 budget are shown in Table 6.

**Table 6: Adults Services Budget Changes**

<b>Item</b>	<b>£m</b>
Growth for the effect of population change and rising complexity of needs	7.5
Growth for the National Living Wage	5.4
Funding of growth through the Improved Better Care Fund	-10.0
External providers – impact of National Insurance increases	2.0
Pay and price allowance	9.3
Transfers between portfolios	-0.5
Reserves transfers	-0.5
Savings	-6.9
<b>Net change</b>	<b>6.3</b>

### **Children and Young People**

- 4.10 A key element of the County Council’s budget provides for children and families who are vulnerable and that the County Council has statutory duties to support. The Children and Young People’s budget for 2022/23 allows for net expenditure of **£139.3m**. Around 92% of this is spent on responsibilities relating to children’s social care, including the staffing teams carrying out those responsibilities. The remaining 8% is spent on early help services, children’s mental health services (in partnership with Health) and services designed to reduce youth offending.
- 4.11 Following the Ofsted inspection of our Children’s services in May 2019, a revised Statutory Direction was issued on 10 December 2020 acknowledging that “conditions at the council have improved and now



support the continued improvement of children's services". As a result, the setting up of a Trust to provide children's social care services was paused for 12 months. The Commissioner, John Coughlan, is in the process of finalising his latest report to the Minister which will address the Trust decision. The County Council therefore expects to be informed of the final decision regarding the Trust in early 2022.

- 4.12 Further investment of £1.0m is being provided in 2022/23 to continue the service improvement work. Whilst the majority of this funding is provided on a temporary basis, £0.2m will allow for the establishment of a permanent practice improvement function to ensure that the improvements already made remain embedded, and to further develop a performance management culture within the service.
- 4.13 The number of Children We Care For (CWCF) reached a peak in December 2020 and although volumes have reduced during 2021/22, they have remained significantly higher than they were prior to that point. Additionally, there has been an increase in the proportion of children with complex needs requiring higher costing placements which has led to cost pressures on the CWCF budgets. Demand modelling taking account of these two pressures has been undertaken resulting in the £2.7m growth pressure being added to the budget in 2022/23. This growth allocation is partly mitigated by £2.0m of savings related to improved commissioning arrangements for CWCF. To recognise the impact of National Insurance contribution increases on external providers, a further £0.6m of funding has been made available. An additional £0.4m has been allocated to the in-house residential service to enable a new home to be brought on-line, providing accommodation and support for young people with the most highly complex needs, with the aim of preventing placements out of West Sussex and to maintain better control of costs. The implementation of the Family Safeguarding model of social care in February 2022 is expected to reduce the number of children aged under 12 entering care and becoming the subject of child protection plans, and it is therefore anticipated to reduce the demand requirement from 2023/24 onwards.
- 4.14 A further £1.8m has been added to the portfolio to develop an improved allowances scheme and support package for internal foster carers, as well as reviewing staffing capacity within fostering service. The aim of this investment is to increase the proportion of children placed with internal foster carers and reduce the proportion placed with independent fostering agencies. Placements made with independent fostering agencies are significantly more expensive than the County Council's own in-house foster placements. Therefore, the outcome of having more in-house placements will be reduced placement costs and savings are anticipated from 2023/24 onwards.
- 4.15 An increase of £1.1m has been applied to the staffing budgets in recognition of the full year effect of the new social worker pay scales as

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well as increased demand, both at the front door of children's social care and in terms of the increased number of children we care for who become care leavers at age 18 and are entitled to support from the care leaving service.

- 4.16 Temporary funding of £0.4m per year for the next two financial years has been made available to support the response to children's emotional wellbeing and mental health. This follows the utilisation of temporary funding to develop an emergency response to mental health concerns in the Horsham area in 2021, and this new funding will enable children's services to work collaboratively with other partners (such as Health) to ensure that the learning from Horsham is embedded and expanded to other parts of the County as appropriate.
- 4.17 Demand for services to support intentionally homeless families fell significantly during the Covid-19 pandemic, due to the Government imposing a ban on evictions. Although that ban ceased at the end of May 2021, there are backlogs in the homelessness processes within district and borough councils as well as the Court system, which means that demand has not yet returned to pre-pandemic levels. In recognition of this, the intentionally homeless budget has been reduced by £0.4m with the expectation that demand will not increase until the second quarter of 2022/23. Should demand during 2022/23 exceed the funding available, then any overspending will be met from contingency budget.
- 4.18 Planned savings of £2.2m are included to balance the County Council's overall budget, as described in **Appendix 3**. All of these are the second year of saving plans which initially started in 2021/22.
- 4.19 The key explanations of changes in the 2022/23 budget for the portfolio are shown in Table 7.

**Table 7: Children and Young People Budget Changes**

<b>Item</b>	<b>£m</b>
Permanent funding required for Children First improvement programme	0.2
Temporary funding required in 2022/23 for Children First improvement programme	0.8
Temporary funding received in 2021/22 for Children First improvement programme	-2.9
Demand growth – Children We Care For	2.7
External providers – impact of National Insurance increases	0.6
In House residential strategy – Brick Kiln	0.4
Fostering redesign	1.8
New social worker pay scales	0.6
Increased staffing pressure due to demand	0.5
Children’s emotional wellbeing & mental health	0.3
Reduced demand for intentionally homeless support	-0.4
Undeliverable savings 2021/22 (intentionally homeless property leases)	0.2
Pay and price rise allowance	6.1
Transfers between portfolios	-0.2
Savings	-2.2
<b>Net change</b>	<b>8.5</b>

4.20 In addition, capital investment includes a programme of development of existing Children’s Social Care placements to provide improved and more local services for vulnerable children and young people. Further details of the Capital Strategy can be found in **Annex 2 (a)**.

**Community Support, Fire and Rescue**

4.21 The Community Support, Fire and Rescue budget provides for net spending of **£45.1m**.

4.22 The investment made by the County Council into the Fire and Rescue Service over the past three years has led to significantly increased capacity and improvements. The current budget now provides for £2.3m of base budget to enable the Fire and Rescue Service to continue its improvement journey.

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4.23 The County Council is now investing a further £1.3m in 2022/23 to deliver the Community Risk Management Plan, which looks to assess all foreseeable fire and rescue related risks that could affect our community. Resources have been identified to deliver the six key proposals that have been consulted on with stakeholders over the autumn. These proposals are:

- Day Crewing Enhancements - This proposal would increase the number of immediate response weekend daytime appliances by 50% (from eight to 12) and improve emergency response times by 43 seconds in Mid Sussex and 32 seconds in Worthing and Adur
- Enhance our Retained operating model
- Improve Emergency Response performance in Rural Areas - We propose to enhance and modernise the existing Crewing Optimisation Group (COG) provision to include 7 days per week, 7am to 7pm cover and to provide an increased focus on rural Prevention and Protection activity
- Review and Assess Emergency Response Standards
- Change our response to unwanted Fire Signals/False alarms - While firefighters are responding to false alarms, they are not available for other emergencies. Responding to these false alarms wastes essential resources and potentially puts lives at risk, and disrupts other activities, such as community fire safety work
- Enhanced Specialist Capability and Assets - The majority of the incidents we respond to can be adequately resolved through the deployment of personnel with the required skills and the equipment available on our frontline fire engines. Our overall aim is to future proof our specialist capability aligned to known and future risks.

4.24 A further £0.2m is being invested within the Joint Fire Control centre to ensure that all the recommendations for control and mobilising arrangements that arose from Phase One of the Grenfell Tower Enquiry are met:

4.25 These recommendations include:

- the control room has suitable Policies to distinguish between callers seeking advice and callers that are trapped and need rescuing
- the control room has suitable Policies for handling large numbers of Fire Survival Guidance calls simultaneously
- that methods exist by which information is shared between control rooms of other FRSs and other Emergency Services

- 4.26 The Communities service incorporates a diverse range of services, which operate at scale and with countywide reach to deliver significant universal customer-facing functions including registration and the library service. The service works closely alongside colleagues from Adults and Health and Children, Young People and Learning to deliver a targeted offer for key customer groups such as Refugee Resettlement, Gypsy, Roma and Travellers, Prevention and Assessment Team, Children’s Advocacy and Independent Visiting. The Directorate leads extensive partnership activity in respect of crime, disorder and community safety, and the development of safer, stronger and more resilient communities. The budget provides for additional capacity within the service to ensure that these activities can be further supported.
- 4.27 The skills, experience, capacity, and partnership network has been heavily utilised to deliver numerous aspects of the Covid-19 response, including the delivery of the Community Hub, support for the Clinically Extremely Vulnerable, delivery of financial hardship support, Self-Isolation Practical Support, Local Tracing Partnership, Lateral Flow Testing and more recently the launch of Community Collect and the new Holiday Activity Fund for families eligible for Free School Meals.
- 4.28 The key explanations of changes in the 2022/23 budget for the portfolio are shown in Table 8.

**Table 8: Community Support, Fire and Rescue Budget Changes**

<b>Item</b>	<b>£m</b>
Community Risk Management Plan Investment	1.3
Fire Survival Guidance – Response to Grenfell	0.2
Fire PPE & Uniform	0.1
Community Resources	0.2
Pay and Price allowance	2.2
Transfer between portfolios	0.4
<b>Net change</b>	<b>4.4</b>

- 4.29 In addition, capital investment includes the Live Training Centre and Horsham Fire Station and Fire and Rescue Service equipment to ensure emergency response needs are met. Further details of the Capital Strategy can be found in **Annex 2 (a)**.

## **Environment and Climate Change**

- 4.30 The Environment and Climate Change budget provides for net spending of **£62.1m.**

### Climate and Sustainability

- 4.31 In July 2020 the County Council approved a new Climate Change Strategy with a vision that:
- 4.32 'In 2030, West Sussex County Council is carbon neutral and climate resilient, using our limited resources wisely. West Sussex County Council has enabled positive actions and behaviours across our county to mitigate and adapt to climate change'.
- 4.33 The strategy sets out our commitments to achieve this vision. It gives everyone working at, and with, the County Council a clear indication of our priorities for the next ten years, to realise the short and long-term benefits for our organisation and for our communities.
- 4.34 As part of this commitment the County Council alongside district and boroughs have entered a contract which will see the installation of a large scale EV ChargePoint network, giving residents the confidence to go electric in time for a ban on the sale of new petrol and diesel vehicles in 2030. It is the first step in delivering the ambitious vision set out by West Sussex County Council in its EV Strategy in December 2019.

### Energy

- 4.35 Throughout the latter stages of 2021 the wholesale energy markets for both electricity and gas have seen dramatic price rises as the supply markets are restricted and demand rises as we emerge from the nationwide lockdowns. Whilst the budget assumes that there will be a permanent change to working patterns which will see reduced occupancy within our buildings and the contract hedging strategy adopted by LASER Energy Buying Group has mitigated much of the winter price increases, it is inevitable that there will be pressure within the utilities budget moving forward. The budget has therefore been increased by £0.2m above the base inflation to allow for the increases in wholesale gas prices as we move through the winter period.
- 4.36 The increase in wholesale electricity prices has benefited the County Council as it continues to invest in renewable energy infrastructure and in particular income from the solar installations funded through capital investment are showing increased returns. It is therefore planned that there will be no net impact on the County Council from the turbulence in the electricity markets.
- 4.37 The County Council will continue to enhance plans for developing other sustainable technologies, particularly solar energy and battery storage for

power with the facility at Halewick Lane expected to be completed and generating income for the County Council during the year.

Waste

- 4.38 Working with customers and partners, the Waste Management team will continue their work to reduce waste going to landfill through education aimed at changing customer behaviour, as well as the use of alternative disposal routes such as the Refuse Derived Fuel (RDF) contract and separate food waste collections. Over £55m of our net revenue budget is dedicated to supporting our waste disposal and recycling infrastructure.
- 4.39 A planned refresh of the waste composition analysis that was supposed to take place during 2020 has been delayed due to the impact of Covid-19. However, the premise that food waste comprises the largest element of the residual waste stream is still seen as valid.
- 4.40 Arun DC is currently in the middle of a trial period, and further trials will be undertaken during 2022, to demonstrate that the introduction of weekly food and absorbent hygiene product waste collections, maintaining fortnightly comingled recycling collections and reducing the frequency of residual waste collections to three weekly, will not only reduce the overall volume of waste collected, but will also improve recycling performance and ultimately deliver savings in the future for the authority. We will also be working with the operator of the Mechanical and Biological Treatment (MBT) to reconfigure the facility to accept separated food waste giving the County Council the opportunity to take advantage of the savings on offer as the districts and boroughs move to separate collections.
- 4.41 Planned savings of £1.4m are included to balance the County Council's overall budget, as described in **Appendix 3**. The key explanations of changes in the 2022/23 budget for the portfolio are shown in Table 9.

**Table 9: Environment and Climate Changes Budget Changes**

<b>Item</b>	<b>£m</b>
Reserves Transfers	-0.5
Pay and Price allowance	3.1
Transfer between portfolios	0.1
Savings	-1.4
<b>Net change</b>	<b>1.3</b>

- 4.42 The capital programme provides the means to invest in green technology to reduce the County Councils carbon footprint and be part of the commitment to be carbon neutral by 2030 targeting investment in low-carbon upgrade options for routine maintenance and planned projects. Further details of the Capital Strategy can be found in **Annex 2 (a)**.

### Finance and Property

- 4.43 The Finance and Property budget provides for net spending of **£25.1m**. The majority of this budget relates to the Cabinet Member’s responsibility for the Finance and Procurement functions. It also covers capital planning and projects, asset management and estates teams, as well as various corporate items such as insurance and precept payments levied by external bodies.
- 4.44 The impact of Covid-19 has brought about new working practices across the County Council. There is now a strong move to establish these more flexible ways of working on a permanent basis. This means that we are unlikely to need all the administration assets that we currently hold. We are therefore undertaking a review of these assets, in order to understand which ones we need to retain for future use and which ones will be surplus to our requirements. For retained assets we will look at ways to reduce our overall energy consumption, in order to meet our ambition of being a net carbon zero organisation by 2030.
- 4.45 In order to take further advantage of these opportunities, the County Council continues to explore innovative ways to work with the private sector to increase the yield we can obtain from surplus assets. We have set up a Joint Venture (JV) with a long term partner to take forward, and benefit from, the development opportunities that are available by developing these sites with our partner, rather than simply selling the land to a developer. Setting up a JV with a professional development company is an established model across a number of local authorities who are looking to maximise the returns from their surplus assets, whilst at the same time minimising the financial risk to the authority.
- 4.46 The key explanations of the changes for the 2022/23 budget are shown in Table 10.

**Table 10: Finance and Property Budget Changes**

Item	£m
Alternative accommodation in Worthing	0.4
Investment in revenue maintenance	0.2
Pay and Price allowance	1.0
Transfer between portfolios	-0.3
Other service changes	0.2
<b>Net change</b>	<b>1.5</b>

- 4.47 The capital programme provides the means to invest in major development projects as well as tactical site improvement works to optimise usage and future options. Further details can be found in the Capital Strategy (**Annex 2 (a)**).



## Highways and Transport

- 4.48 The Highways and Transport budget provides for net spending of **£41.4m**. This budget maintains and delivers highways and other infrastructure which businesses and local communities need to support economic growth and allows our customers to access services across the County. We will maintain, improve and, where appropriate, expand the highways network for the benefit of all residents and visitors to West Sussex.
- 4.49 We will invest over £16m of revenue funding each year in highways support and maintenance, this includes additional funding of £2.6m with £2.4m of funding specifically earmarked to address safety critical areas. The major areas of investment are:
- £1.1m Safety Defects – To ensure that we minimise the risk of damage and injury accidents occurring on the network additional resources has been provided to address the rising number of safety defects. The number of safety defects arising on the highway has risen from 35,000 at the time the current contract was let in 2019 to an estimated 43,000 during the current year
  - £0.3m Jetting - Climate change and significant rain events are increasing the pressure on the service and sustained flooding on the network means that the risk of road conditions deteriorating is increasing. The current jetting resource is only sufficient to deal with the highest priority issues and the additional investment will mean that we can address more assets particularly on lower speed roads and be able to increase investigations to enable a more focussed capital programme to be produced
  - £0.3m Tree Works – Additional funding will be provided to address the backlog in safety critical works on trees adjacent to the highway and to meet our obligations to replant trees. Currently we are removing 562 trees per annum but only replanting 194
- 4.50 The remainder of the additional funding will provide for services such as additional weed sprays, proactively dealing with overgrown vegetation and addressing safety critical works on structures.
- 4.51 Increasing defects on the highway and easier access to reporting tools has resulted in an increased pressure on front line staff in local highways teams. Currently, fifteen highway stewards deal with around 26,000 unique enquiries a year, many of which are complex. The increased budget will provide for an additional steward within each local highway team to meet the demand, providing a level of resilience.

- 4.52 We continue to review the charges we make to highway users in order to ensure that we recover fully our costs and continue to explore ways of utilising funding available to ensure delivery of our core services. The service continues to invest in feasibility studies, enabling the County Council to develop sound project proposals for submission for additional funding to improve infrastructure.
- 4.53 The key explanations of the changes for the 2022/23 budget are shown in Table 11.

**Table 11: Highways and Transport Budget Changes**

<b>Item</b>	<b>£m</b>
One-Off funding to support priorities	0.5
Highways Service Improvements	2.6
Pay and Price allowance	1.9
Transfer between portfolios	-0.2
<b>Net change</b>	<b>4.8</b>

- 4.54 There is significant planned investment in Highways and Transport reflecting the importance of the infrastructure for economic growth. To support our commitment to our highways we are proposing to invest an additional £21m, over and above the existing works programme, in our road maintenance over the next five years. Further details of the Capital Strategy can be found in **Annex 2 (a)**.

**Leader**

- 4.55 The Leader budget provides for net spending of **£2.9m**. This budget supports the costs of running the Chief Executive's office and Policy Team.
- 4.56 The key explanations of the changes for the 2022/23 budget are shown in Table 12.

**Table 12: Leader Budget Changes**

<b>Item</b>	<b>£m</b>
Pay and Price allowance	0.1
Transfer between portfolios	0.1
Other services changes	0.1
<b>Net change</b>	<b>0.3</b>

## Learning and Skills

- 4.57 The Learning and Skills budget for 2022/23 allows for net expenditure of **£29.1m**.
- 4.58 The Home to School transport budget continues to come under pressure as a result of the continuing rise in SEND placements and higher contractual costs due to a continuing shortage of external taxi drivers and the increased wage costs of escorts. £2.2m has been allocated to the portfolio to meet the existing pressures carried over from 2021/22 and a further £1.4m for continued growth in 2022/23.
- 4.59 Staffing levels within the Educational Psychology Service have remained fairly static over the last couple of years whilst the number of requests for a statutory assessment by an educational psychologist since the introduction of the 2014 SEND reforms has increased by 77%. Alongside this the service also undertake further assessments for Early Years, where the needs of Children and Young People with an Education Health and Care Plan (EHCP) have changed or their placement is at risk, and also in tribunals. An additional £0.6m is therefore required in order to increase the capacity of this team and therefore enable the service to meet statutory demand and to develop more effective early intervention, particularly in the area of mental health and well-being.
- 4.60 The Virtual School has the statutory duty to promote, champion and monitor the education of Children We Care For and to provide advice and information relating to the education of previous looked after children. Since 2014, when the role of the Virtual School Head became statutory the number of children in the care of West Sussex has increased by 45%, and currently on average there are 900 children known to the Virtual School. As a result of this increase in numbers an additional two Advisory Teachers and a PEP (Personal Education Plan) Champion were created in October 2020 with temporary funding through the Childrens Improvement Fund. The new staff have had an immediate impact with PEP completion improving dramatically in both Early Years and Post-16. £0.1m has been allocated to the portfolio in order to replace the temporary funding and therefore keep these posts on a permanent basis.
- 4.61 In 2021/22 although the County Council's DSG Central block funding allocation was reduced by £0.8m, only savings of £0.3m could be found at the time, and therefore the £0.5m funding shortfall was picked up by the County Council for one year to allow more time for further savings to be found. This funding is being repaid in 2022/23 through a reconfiguration of the DSG funded services in Education (£0.3m) and through planned savings of £0.2m (see **Appendix 3**), which will see the County Council increase its centrally retained element of the three- and four-year-old funding it receives in the DSG Early Years block to 5% next year, which is the maximum allowed under the national funding regulations.

- 4.62 The key explanations of the changes for the 2022/23 budget are shown in Table 13.

**Table 13: Learning and Skills Budget Changes**

<b>Item</b>	<b>£m</b>
Home to School Transport to meet the increasing number of High Needs pupils and living wage pressures	3.6
Educational Psychology Service	0.6
Virtual School	0.1
Reconfiguration of DSG funded services in Education	-0.3
Transfer between portfolios	1.0
Pay and price allowance	1.5
Savings	-0.2
<b>Net change</b>	<b>6.3</b>

Dedicated Schools Grant

- 4.63 The Dedicated Schools Grant (DSG) currently comprises four separate funding blocks, namely Schools, Central School Services, Early Years and High Needs. The total funding for these blocks has increased by **£32.2m** (4.6%) to £725.2m next year. In addition to this the council has also received an additional **£15.5m** through a DSG Supplementary Grant, as part of the £1.6bn announced nationally in the 2021 Spending Review for additional school funding in 2022/23. These additional monies are intended to help the schools sector respond to the various pressures that they are currently seeing in overall costs, in national insurance, on high needs, in managing Covid and in supporting children and young people to recover from the pandemic. The school level allocations of this additional £15.5m are still to be announced.
- 4.64 2022/23 is the fifth year of the National Funding Formula (NFF) for mainstream schools under the Schools DSG block. Allocations for next year have been announced and West Sussex schools are set to gain by £19.4m (3.6%). £6.1m of this relates to pupil growth, and the majority of the remaining £13.3m equates to a 3% increase in most of the national funding formula unit rates. However, the 11 schools on the funding floor will only see a 2% increase in their per pupil funding, as will the 87 schools who benefit from the protection of the Minimum per Pupil Funding levels, as these rates are set to rise from £4,180 to £4,265 for primary schools and from £5,415 to £5,525 for secondary schools.

- 4.65 In 2021/22 only one secondary and 16 of our small primary schools (with under 150 pupils) in West Sussex qualified for £0.5m of sparsity funding through the NFF. However, in 2022/23, total funding through the sparsity factor has increased nationally from £42m to £95m, with the Department for Education increasing the maximum sparsity values by £10,000, improving the accuracy with which they identify schools' remoteness, by using road distances instead of straight-line distances in their calculations, and also introducing a new distance "taper" for those small primary schools between 1.6 and 2 miles. As a result of these changes, one secondary schools and 46 small primary schools within the county will now share £1.5m of sparsity funding next year.
- 4.66 The Central School Services DSG block is made up of two separate funding streams; one for the ongoing responsibilities of the Local Authority and the second for historic commitments. Although the former is set to increase by £0.2m (6.5%), the latter is being reduced by £0.7m (20%).
- 4.67 However, the Department for Education has also announced that they will continue to protect any Local Authority from having a reduction that takes their total historic commitments funding below the total value of their ongoing prudential borrowing and termination of employment costs, in recognition of the long lead-in times required for such costs to unwind. Currently our commitments for these costs exceed our indicative 2022/23 allocation by £0.3m, and therefore we will need to evidence these costs and apply for protection in order to ensure that our actual DSG historic commitments allocation will only fall by £0.4m next year.
- 4.68 The Early Years DSG block is set to increase by £0.4m (0.8%) in 2022/23. The impact of-an increase in the hourly funding rates of 21 pence for 2 year-olds and 17 pence for 3 and 4 year-olds (£1.7m) and additional Pupil Premium and Disability Access Funding (£0.2m) has been offset by the impact of a reduction in pupil numbers in nursery settings over the last year (£1.5m). This allocation is a provisional one and will be updated in July 2022 for the January 2022 census count.
- 4.69 Funding pressures affecting the High Needs Block within the DSG have continued to grow since the implementation of the Children and Families Act 2014 resulting in increased requests for:
- Education Health and Care Needs Assessments (EHCNAs);
  - pre-16 specialist placements (special schools, Special Support Centres (SSCs) and Independent and Non-Maintained Special Schools (INMSS));
  - post-16 High Needs placements in special schools, colleges of Further Education or Independent Specialist Providers (ISP); and
  - personal budgets and exceptional needs expenditure to meet very complex needs.

- 4.70 Our High Needs DSG funding from the Department for Education rose by £10.8m (12.2%) in 2021/22 and is set to rise by a further £12.6m (12.6%) in 2022/23. This includes an additional £4.0m which has been received following the 2021 Spending Review announcement. These funding increases are welcome but are not enough to meet the increasing costs of providing for the number of children with EHCPs.
- 4.71 These numbers had increased to 6,111 by the end of last financial year, an increase of 2,688 (78.5%) since March 2015, and by a further 287 this year as at the end of November 2021. The number of requests for an EHC needs assessment this year has doubled as a result of the pandemic and currently there are in excess of 200 additional EHCP cases still to be finalised. We are therefore expecting overall EHCP numbers to continue rising sharply.
- 4.72 The County Council's DSG unusable reserve went into deficit for the first time at the end of 2019/20, and at the end of 2020/21 this deficit stood at £10.7m. Given the continuing pressure on the high needs budget this deficit is expected to reach £24.5m by the end of the current financial year.
- 4.73 In the meantime, the Council continues to adopt a long-term approach to the High Needs funding issue. The current SEND and Inclusion Strategy for West Sussex 2019-2024 is having an impact, and the proportion of pupils with EHCPs currently educated in mainstream provision is greater than it was in 2016 as schools better adapt provision to support children in situ. This, along with the aim of reducing post-16 specialist provision by encouraging independence pathways into adulthood through partnership with our mainstream FE partners, is aiming to reduce the pressures on specialist places where needs can be better met in mainstream provision. However, the number of complex cases continues to increase and current specialist school places within County have now reached full capacity.
- 4.74 However, more work needs to be done. In November 2021 Schools Forum agreed to a transfer of £1.2m from the DSG schools block in 2022/23. These funds will be used by the SEND and Inclusion service next year to increase capacity to support mainstream schools, support effective transition in Early Years and also support annual reviews in Post-16.
- 4.75 In addition to this, and in order to make the step change required to recover from the increasing deficit in the High Needs DSG Block, capital investment is also required to continue making adaptations in mainstream schools to accommodate a wider variety of needs and also to increase the number of specialist school places within the county, thereby enhancing the choices for children with special educational needs. Further details of the Capital Strategy can be found in **Annex 2(a)**.

## **Public Health and Wellbeing**

- 4.76 The Public Health and Wellbeing budget is funded in full by the Public Health Grant. This is a ring-fenced grant which requires the County Council to spend in line with the Public Health Outcomes Framework. A grant announcement for 2022/23 is still awaited, so the budget is currently based on the same level as for 2021/22. Part of this is used to fund the Healthy Child Programme, which is the responsibility of the Cabinet Member for Children and Young People. Allowing for this, the amount of expenditure which is incurred through the Public Health and Wellbeing portfolio is £21.2m.

## **Support Services and Economic Development**

- 4.77 The Support Services and Economic Development budget for 2022/23 allows for net expenditure of **£41.5m**.
- 4.78 The majority of this budget relates to the Cabinet Member's responsibility for a range of support service functions, including customer services. It also covers the costs of economic growth and feasibility support for the One Public Estate programme.
- 4.79 We continue to review and benchmark the provision of a range of support service functions, so that they provide the support required by frontline services in the most appropriate and efficient manner. The County Council has a long-standing partnership through an outsourced contract with Capita, to provide a number of these services, including administrative support, HR and payroll. These commercial arrangements will come to an end during the year, in September 2022, and work is already underway to review the future of these services and, where appropriate, propose changes ahead of the natural conclusion of the current arrangements.
- 4.80 The future of the support services currently provided by Capita will be a mixture of insourced and outsourced services with the County Council looking to secure the best value solution where there are mature markets to deliver the services we need. Where that value is better achieved by delivering the services in-house the County Council will continue to provide the services directly. It is expected that in the current year these changes will be cost neutral with further savings achieved in the future as the support service model is developed.
- 4.81 2021/22 saw the end of the long-standing Capita contract for the provision of IT services and the move to a new service model that will better support the delivery of council services and the ability to transform its services to provide a modern, responsive and flexible digital, data and technology service. The new model delivered on the expectation to reduce costs by £0.5m in 2021/22 and is expected to deliver a further £0.25m as we move to a full year of the new model in 2022/23.

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- 4.82 The County Council continues to invest in the implementation of Oracle Fusion, our new enterprise resource planning platform, which supports the County Council with its HR, Finance and Procurement processes. Replacing the current system will support the delivery of the automation and improved efficiency of existing business processes. It will enable the County Council's workforce to work more effectively and efficiently, not least by supporting staff to undertake more tasks via self-service.
- 4.83 Planned savings of £0.3m are included to balance the County Council's overall budget, as described in **Appendix 3**.
- 4.84 The key explanations of the changes for the 2022/23 budget are shown in Table 14.

**Table 14: Support Services and Economic Development Budget Changes**

<b>Item</b>	<b>£m</b>
HR – delay in delivery of restructure savings	0.3
Reserves transfers	-1.0
Pay and price allowance	1.8
Savings	-0.3
Other service changes	0.3
<b>Net change</b>	<b>1.1</b>



## Non-Portfolio

- 4.85 For completeness, corporate items for commitments and service changes are given in Table 15.

**Table 15: Non-Portfolio Budget Changes**

Item	£m
Transfers to and from earmarked reserves (net)	5.5
Increase in Revenue Contribution to Capital Outlay	4.4
Increase in the capital financing costs	0.7
Reduction in pay contingency for 2021/22 pay award	-2.0
Increase in general contingency for additional price inflation	2.9
Transfers between portfolios	-0.4
Removal of one off Covid-19 grants	-22.2
<b>Net change</b>	<b>-11.1</b>

- 4.86 The contingency budget is generally held to cushion the impact of unexpected events or emergencies arising during the year, which were not known about at the time the budget was approved. For 2022/23, given the continuing financial uncertainty as a result of the pandemic, the County Council has set the general contingency at £6.3m and added £2.9m to cover additional inflationary pressures.

## Section Five: Future Financial Risks

- 5.1 There have been particularly challenging circumstances around budget setting this year; ongoing challenges around the pandemic have been added to by other events impacting the economy, for example the inflationary impact associated with Brexit, labour shortages in key occupations and continued uncertainty around future years funding.
- 5.2 These present significant levels of uncertainty and potential financial risk and instability.
- The pandemic continues to provide challenges and uncertainty in terms of new variants of the disease, changing public health requirements, impact on service delivery and demand as well as the potential ongoing impact on the economy. The emerging pressures and corresponding cost implications are largely unknown and therefore are not built into the budget. The underlying assumption is the Government would continue to provide additional funding to support specific issues and pressures as needed; any gap in funding could present a financial risk.

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- Whilst the Office of Budget Responsibility (OBR) has indicated that the economy is recovering faster than originally expected from the impacts of the pandemic and with unemployment at a lower rate than previously predicted, there remain shortages in key occupations, such as social care and drivers which could drive additional cost pressures to fill these vacancies.
- Service budgets include an allowance for inflation which is predicted to be at an average of 3.7% over the twelve months. However, there could be a significant risk that we see much higher inflation, for example in the cost of gas which will drive additional pressures in 2022/23. In the longer term, if actual inflation exceeds the County Council's assumptions in the MTFs, this could potentially add significantly to the budget pressures we face.
- The challenging economic circumstances and continued uncertainty as a result of the pandemic could adversely impact the income derived from both council tax and business rates. The council tax base could be further impacted by delays in new home planning issues as a result of water neutrality concerns.
- The adult social care market remains in a fragile state because of the impact of Covid-19, the National Living Wage and the challenge of recruiting and retaining staff. Early modelling by the sector suggests significant additional costs associated with social care reforms and it is not known whether the funding available will be adequate.
- The Government announced a three year Comprehensive Spending Review covering the years 2022/23 to 2024/25 but the settlement announcement was for one year only so there remains uncertainty around funding in the medium term.
- Changes in legislation or accounting policies in the future may have a financial impact for the County Council. Any developments will be closely monitored and if there is any impact, this could potentially be mitigated through the temporary use of reserves.
- The County Council will continue to keep the MTFs under review, given the high degree of uncertainty surrounding any potential impacts from inflation, the ongoing pandemic, Brexit and possible service pressures.

**Section Six: Robustness of Estimates, Adequacy of Reserves and the Management of Risk**

- 6.1 Section 25 of the Local Government Act 2003 requires each Chief Financial Officer to report to their authority about the robustness of estimates and the adequacy of reserves when determining their budget and level of council tax. Each authority is required to consider their Chief Financial

Officer's report when setting the level of council tax. The Director of Finance and Support Services has provided the following assurance:

'By the end of 2021/22 the County Council will have delivered around £287m of savings since austerity began with public finances in 2010. Setting a balanced budget has become more challenging each year as we deal with uncertainty in government funding as well as increasing demand and costs, especially in our social care services. This continues to be particularly relevant for 2022/23 given the ongoing financial uncertainty created by the pandemic'

### **2021/22 financial position**

'The County Council has continued to respond to the pandemic and its impact on the services delivered to residents. Uncertainty with regards to the on-going impact on demand and the cost of council services remains. Critically, the cost of care services remains higher than budgeted and the projected costs of delivering the capital programme are increasing. These uncertainties, coupled with the changeable short-term economic outlook, make forecasting the end of year outturn position difficult. Ongoing economic implications on services will be factored into the council's medium-term financial strategy. As at the end of September, we forecast a £1.4m overspend which will be managed through management actions and/or the use of the County Council's contingency budget. This overall position assumes that costs related to the Covid-19 pandemic will be fully funded from grants and partner contributions received.

'In total we are projecting we will hold earmarked reserves (excluding schools and the General Fund) of £182.2m at the end of 2021/22, an increase of £13.3m compared to the forecast included in 2021/22 budget report (£168.9m). This largely relates to an increase in the Budget Management Reserve as a result of movement on collection funds and government grants.

### **Managing 2022/23 budget**

'The savings for 2022/23, £11.0m in total, take account of the ongoing effects of the current year's financial position. These savings have been assessed as robust, with reliable plans supporting them. In recent years West Sussex County Council has a good track record (in excess of 90%) in delivering its planned savings.

'The general contingency for the revenue budget is £6.3m with a further £2.9m held to cover additional inflationary pressures.

'On-going robust financial management, strict budgetary control and the on-going monitoring of both savings and investment delivery plans, with processes in place to promote these during the next year is necessary to ensure this budget is delivered. We have done this in

previous years, and I believe our processes are robust for this purpose going forward.

'During 2022/23 improvement plans will be developed for all services to ensure services are delivered efficiently and effectively ensuring the long term sustainability of services.

### **CIPFA Financial Resilience Index**

'A financial resilience index for local authorities has recently been published by CIPFA to provide reassurance to councils who are financially stable as well as to prompt challenge where it may be needed. The index applies 15 measures, including areas such as reserves, flexibility with budget and reliance on different funding sources, including fees and charges. It compares the outcome for each authority to peer groups. It does not translate these 15 measures into any 'overall assessment' or make specific comment on the results. The latest published index was March 2020 and showed the County Council had good resilience in terms of a strong council tax base and at the end of March 2020 had a reasonable level of overall reserves (earmarked and general reserves) when compared to other counties. Since March 2020 the County Council still has a reasonable council tax base and the level of reserves has been maintained at a reasonable level.

### **Conclusion**

'For the reasons listed in this section, I am comfortable as the County Council Chief Financial Officer that the Council is operating prudently and has sufficient financial resilience to deal with the risks highlighted within the budget report.

Katharine Eberhart  
Section 151 Officer'

## Section Seven: Precept and Council Tax

- 7.1 The 2022/23 council tax base is 342,374.50 Band D equivalents and is set out across the district and borough councils in Table 16 below. The table also shows the sums due under precepts from the respective authorities.

**Table 16: Tax Base and Precept 2022/23\***

District/Borough Council	Tax base	Precept £
Adur	21,699.70	33,759,091.28
Arun	63,011.00	98,028,733.14
Chichester	55,043.50	85,633,374.69
Crawley	35,758.20	55,630,462.07
Horsham	64,021.00	99,600,030.54
Mid Sussex	63,230.60	98,370,373.64
Worthing	39,610.50	61,623,639.27
Total	342,374.50	532,645,704.63

\* Provisional

- 7.2 The impact of a 1.99% increase in council tax for General Fund purposes and a further 1% for Adults' Social Care, considered in the budget proposals outlined in the previous paragraphs, imply a precept requirement of £532.646m and a Band D council tax of £1,555.74.
- 7.3 The budget embodies the core principles of living within our means, protecting the vulnerable and bearing down vigorously on administration costs.

## Section Eight: Equality Act Considerations

- 8.1 The County Council formulates its budget proposals having regard to the duties under the Equality Act 2010 and the likely impact on those with protected characteristics, as set out in the Treating People as Individuals Policy.
- 8.2 In the assessment of individual proposals and in the overall assessment of its plans for savings across portfolios the County Council must have regard to the public sector equality duty. This will ensure that all decisions that will be finally taken include an understanding of the likely impact upon persons with protected characteristics and the steps that are planned to mitigate any adverse impact or otherwise address the commitments the County Council has to its duty. **Appendix 3** also mentions any requirement for an Equality Impact Assessment as part of the decision on the saving.
- 8.3 The budget approval does not constitute a final decision about what the County Council's service priorities and service budget commitments will

be, or about what sums must be saved within each service portfolio. Specific executive decisions will be taken by the relevant portfolio holders and directors; and shall be made based on a clear understanding of what the potential impacts of doing one thing rather than another will be for the residents of West Sussex. It will be open to directors and Cabinet Members at the time of taking those decisions to choose to spend more on one activity and less on another or, where necessary, to go back to County Council and invite it to reconsider the allocations to different service budgets within the overall County Council budget that has been set.

- 8.4 An overarching Equality Impact Assessment has been carried out and is set out at **Annex 3**.

## **Section Nine: Other Issues**

### **Human Resources Implications**

- 9.1 The savings proposals already submitted and agreed by Cabinet Members and those specified within the budget indicate a potential impact for up to 24FTE, where known. This figure may change as plans develop over the coming months. This currently equates to approximately 0.5% of our active workforce as at the end of September 2021. Full consultation has and will continue to occur when needed.

### **Legal Implications**

- 9.2 The County Council has a legal obligation to deliver a balanced budget within a prescribed timeframe each year. This is part of the set of legal obligations within the Local Government and Finance Acts 1992 and 2003 which also describe the factors and financial considerations which must, in law, inform the calculation of the budget and any council tax precept. The Chief Financial Officer has a responsibility to give formal notice to the County Council if those provisions are at risk of not being adhered to. Ultimately the Secretary of State has powers of intervention in local authorities which fail to meet their fiduciary duty. This report outlines how the budget will be balanced with £11.0m of savings. Despite the challenge of reduced government funding, we continue to invest in priority areas to deliver the aims of Our Council Plan to benefit our residents.
- 9.3 The budget presented is for one year, with significant uncertainty about the picture ahead. Beyond 2022/23 we still face a significant gap between the funding we currently expect to have and the cost of providing our services as well as the undefined impacts of reforms. The proposals set out in this report put us in the best position we can to manage this situation and maintain our support to residents, particularly the most vulnerable children and adults, as well as providing opportunities for one-off investment to deliver priorities and reduce future demand where possible.

- 9.4 Our lobbying endeavours will be critical over the coming year as Government reviews the way local authorities are funded. We will need to ensure Government understand the challenges ahead. We will continue to work with our local, regional and national partners, including West Sussex MPs, SE7, County Council Network and the LGA, to highlight the needs of West Sussex and to press for fair and sustainable allocation of funding that enables us to continue to meet the needs of our residents, businesses and communities especially to achieve a strong recovery from the economic disruption brought by the pandemic and reducing the need for County Council support and services in future.

**KATHARINE EBERHART**

Director of Finance and Support Services

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**Background Papers**

None

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APPENDIX 1

**SUMMARY OF REVENUE BUDGET AND PRECEPT 2022/23**

Total Net Expenditure 2021/22 <sup>1</sup>			Total Net Expenditure 2022/23	
Amount	Amount per Council Taxpayer (Band D equivalent)	SERVICE	Amount	Amount per Council Taxpayer (Band D equivalent)
£000	£		£000	£
209,543	621.28	Adults Services	215,876	630.52
130,808	387.84	Children and Young People	139,318	406.92
40,724	120.74	Community Support, Fire and Rescue	45,110	131.76
60,813	180.31	Environment and Climate Change	62,078	181.31
23,624	70.04	Finance and Property	25,131	73.40
36,577	108.45	Highways and Transport	41,372	120.84
2,590	7.68	Leader	2,892	8.45
22,735	67.41	Learning and Skills	29,056	84.87
0	0.00	Public Health and Wellbeing	0	0.00
40,332	119.58	Support Services and Economic Development	41,487	121.17
<b>567,746</b>	<b>1,683.33</b>	<b>SERVICE TOTALS</b>	<b>602,320</b>	<b>1,759.24</b>
28,934	85.79	Capital Financing Costs	29,669	86.66
532	1.58	Revenue Contribution to Capital Outlay - County Council	2,255	6.59
1,900	5.63	Revenue Contribution to Capital Outlay - Business Rates Pilot	4,614	13.48
-2,970	-8.81	Investment Income	-2,970	-8.68
6,400	18.98	General Contingency	9,156	26.74
2,200	6.52	Pay Contingency	0	0.00
25	0.07	Care Leavers Council Tax Support	0	0.00
21,966	65.13	Transfers to/from (-) Earmarked Reserves - County Council	7,912	23.11
-1,900	-5.63	Transfers to/from (-) Earmarked Reserves - Business Rates Pilot	-4,614	-13.48
<b>57,087</b>	<b>169.26</b>	<b>NON-SERVICE TOTALS</b>	<b>46,022</b>	<b>134.42</b>
<b>624,833</b>	<b>1,852.59</b>	<b>NET EXPENDITURE</b>	<b>648,342</b>	<b>1,893.66</b>
-79,257	-234.99	Business Rates Retention Scheme	-87,264	-254.88
-15,618	-46.31	Covid-19 Expenditure Pressures Grant	0	0.00
-6,628	-19.65	Local Council Tax Support Grant	0	0.00
-2,352	-6.98	New Homes Bonus Grant	-1,959	-5.72
-18,169	-53.87	Social Care Support Grant	-25,827	-75.43
6,667	19.77	Collection Fund Surplus (-) / Deficit	4,818	14.07
0	0.00	Services Grant	-5,464	-15.96
<b>509,476</b>	<b>1,510.56</b>	<b>PRECEPT</b>	<b>532,646</b>	<b>1,555.74</b>
	<b>4.99%</b>	Increase in Council Tax Band D on Previous Year		<b>2.99%</b>
<b>337,276.40</b>		Council Tax Band D Equivalents	<b>342,374.50</b>	

<sup>1</sup> Prior year portfolio budgets have been restated from the published 2021/22 Budget Book to reflect the change in political structure which took effect following the local elections in May 2021

**APPENDIX 2**

**ANALYSIS OF CHANGES**

<b>PORTFOLIO</b>	<b>Budget 2021/22</b>	Pay and prices	Committed and Service Changes	Balancing the Budget (Appendix 3)	<b>Total Change in Spending (col 2+3+4) <sup>1</sup></b>	Transfers between Portfolios	<b>Overall Change in Spending (col 5+6)</b>	<b>Budget 2022/23 (col 1+7)</b>
	<b>column 1</b>	column 2	column 3	column 4	<b>column 5</b>	column 6	<b>column 7</b>	<b>column 8</b>
	<b>£000</b>	£000	£000	£000	<b>£000</b>	£000	<b>£000</b>	<b>£000</b>
Adults Services	<b>209,543</b>	9,318	4,331	-6,870	<b>6,779</b>	-446	<b>6,333</b>	<b>215,876</b>
Children and Young People	<b>130,808</b>	6,054	4,815	-2,150	<b>8,719</b>	-209	<b>8,510</b>	<b>139,318</b>
Community Support, Fire and Rescue	<b>40,724</b>	2,223	1,812	0	<b>4,035</b>	351	<b>4,386</b>	<b>45,110</b>
Environment and Climate Change	<b>60,813</b>	3,142	-571	-1,450	<b>1,121</b>	144	<b>1,265</b>	<b>62,078</b>
Finance and Property	<b>23,624</b>	1,049	793	0	<b>1,842</b>	-335	<b>1,507</b>	<b>25,131</b>
Highways and Transport	<b>36,577</b>	1,931	3,096	0	<b>5,027</b>	-232	<b>4,795</b>	<b>41,372</b>
Leader	<b>2,590</b>	105	77	0	<b>182</b>	120	<b>302</b>	<b>2,892</b>
Learning and Skills	<b>22,735</b>	1,514	4,065	-225	<b>5,354</b>	967	<b>6,321</b>	<b>29,056</b>
Public Health and Wellbeing	<b>0</b>	0	0	0	<b>0</b>	0	<b>0</b>	<b>0</b>
Support Services and Economic Development	<b>40,332</b>	1,844	-371	-338	<b>1,135</b>	20	<b>1,155</b>	<b>41,487</b>
<b>SERVICE TOTALS</b>	<b>567,746</b>	<b>27,180</b>	<b>18,047</b>	<b>-11,033</b>	<b>34,194</b>	<b>380</b>	<b>34,574</b>	<b>602,320</b>
Capital Financing Costs	<b>28,934</b>		735		<b>735</b>		<b>735</b>	<b>29,669</b>
Revenue Contribution to Capital Outlay - County Council	<b>532</b>		1,723		<b>1,723</b>		<b>1,723</b>	<b>2,255</b>
Revenue Contribution to Capital Outlay - Business Rates Pilot	<b>1,900</b>		2,714		<b>2,714</b>		<b>2,714</b>	<b>4,614</b>
Investment Income	<b>-2,970</b>				<b>0</b>		<b>0</b>	<b>-2,970</b>
General Contingency	<b>6,400</b>		2,886		<b>2,886</b>	-130	<b>2,756</b>	<b>9,156</b>
Pay Contingency	<b>2,200</b>	-1,975			<b>-1,975</b>	-225	<b>-2,200</b>	<b>0</b>
Care Leavers Council Tax Support	<b>25</b>				<b>0</b>	-25	<b>-25</b>	<b>0</b>
Transfers to/from (-) Earmarked Reserves - County Council	<b>21,966</b>		-14,054		<b>-14,054</b>		<b>-14,054</b>	<b>7,912</b>
Transfers to/from (-) Earmarked Reserves - Business Rates Pilot	<b>-1,900</b>		-2,714		<b>-2,714</b>		<b>-2,714</b>	<b>-4,614</b>
<b>NON-SERVICE TOTALS</b>	<b>57,087</b>	<b>-1,975</b>	<b>-8,710</b>	<b>0</b>	<b>-10,685</b>	<b>-380</b>	<b>-11,065</b>	<b>46,022</b>
<b>NET EXPENDITURE</b>	<b>624,833</b>	<b>25,205</b>	<b>9,337</b>	<b>-11,033</b>	<b>23,509</b>	<b>0</b>	<b>23,509</b>	<b>648,342</b>

<sup>1</sup> The effective change in spending is shown in greater detail in each portfolio section. This represents changes that will either be borne directly by the council taxpayer or via general financing grants from central government.

**APPENDIX 3**

**BALANCING THE BUDGET**

<b>Activity</b>	<b>2022/23 £000s</b>	<b>2023/24 £000s</b>	<b>Total £000s</b>	<b>Description</b>	<b>Estimated FTE (If Known)</b>	<b>Equality Impact Assessment (EIA)</b>
<b>Adults Services:</b>						
Community Care	4,770		4,770	All new packages of care provided to those with eligible social care needs, as well as a systematic review of current packages of care (excluding older people requiring residential and nursing care), will be assessed taking into account: 1. Resource Allocation System implementation, 2. Revised policy and practice guidance for Direct Payments, Choice, Transport and Assessment and Support Planning, 3. Revised Care Funding Calculator and approach to purchasing high cost packages of care.	n/a	Not likely to be required
Non-residential customers to remain at home with reduced package	1,100		1,100	An additional 885 people to benefit from reablement prior to receiving long-term care, delivering an estimated £1.1m of savings in 2022/23 as the full-year effect of the increase in investment that began in 2021/22 is realised.	n/a	Decision already taken
Redirecting residential customers to home-based care	1,000		1,000	Around 670 older people enter residential care per year, excluding nursing placements. Through the promotion of independence, the aim is to reduce that total by approximately 180 by 31st March 2023 to deliver savings of £1m.	n/a	Not likely to be required
<b>sub-total</b>	<b>6,870</b>	<b>0</b>	<b>6,870</b>			
<b>Children and Young People:</b>						
National House Project	750		750	The National House Project is a social enterprise built with young people leaving care, providing sustainable homes and a community of support that enables young people to have confidence in themselves and their future.  The cost of accommodation for young people represents one of the highest challenges to local authority budgets. National House Projects deliver improved outcomes for young people at lower costs and reduces demand on wider local authority and partner agency budgets with fewer tenancy breakdowns, improved emotional, physical and mental health and less contact with criminal justice services.  Savings of up to £0.2m per annum could be achieved for every residential placement avoided, meaning maximum savings potential of £2m per annum based on a cohort of 10 young people. However, in reality not all young people will be stepped down from residential placements, but potentially foster placements which cost less.	n/a	Usual EIA Methodology will apply
In-house residential programme – reduced independent placement costs	100		100	The focus of phase 1 of this proposal is the reopening of the 3 closed homes (Cissbury Lodge, May House and Seaside) in order to both increase capacity and create more appropriate, safe and high-quality provision in response to demand. This will avoid cost in external agency residential placements, particularly high-cost out of county placements, through better meeting the needs of more complex children in county.  Phase 2 will focus on investing in the 3 open homes (Orchard House, High Trees and Teasel Close), recently rated as Outstanding by Ofsted, in order to resolve critical issues with the sites.	n/a	Usual EIA Methodology will apply

**APPENDIX 3**

**BALANCING THE BUDGET**

<b>Activity</b>	<b>2022/23 £000s</b>	<b>2023/24 £000s</b>	<b>Total £000s</b>	<b>Description</b>	<b>Estimated FTE (If Known)</b>	<b>Equality Impact Assessment (EIA)</b>
Improved commissioning for children's social care service: - 16+ step down from residential - 16+ recommissioning - U16 step down to fostering	500 100 500	  150	500 100 650	This proposal includes a number of initiatives that will look to step down young people from a residential care into an alternative setting, increase market capacity to effect a change from spot purchasing to increased block contracting, reduce the excessive costs of the most expensive residential placements, and ensure any additional costs are closely monitored to ensure good outcomes and best use of resources.	n/a	Usual EIA Methodology will apply
Early help restructure	200		200	Redesign of the service to deliver a more targeted Early Help offer, focussed towards supporting the most vulnerable children and families.	Circa 20	Usual EIA Methodology will apply
<b>sub-total</b>	<b>2,150</b>	<b>150</b>	<b>2,300</b>			
<b>Environment and Climate Change:</b>						
Reduction in MBT Insurance	650		650	Reduction in the Insurance Premium for the Mechanical and Biological Treatment facility at Warnham	n/a	Not likely to be required
Income re: waste	800		800	Additional Income from increased sales of recyclates	n/a	Not likely to be required
<b>sub-total</b>	<b>1,450</b>	<b>0</b>	<b>1,450</b>			
<b>Finance and Property</b>						
Finance service redesign following implementation of ERP		250	250	Efficiency savings resulting from ERP implementation.	3-4	Usual EIA Methodology will apply
<b>sub-total</b>	<b>0</b>	<b>250</b>	<b>250</b>			
<b>Learning and Skills:</b>						
Increase in Council's top slice of Early Years DSG to compensate for lost Central DSG grant funding used for wider benefit of children and young people	225		225	To compensate for the continued reduction of DSG grant for the Central Services Schools block used to help support the MASH and Early Help services the council has been increasing the total amount of funds it has been topslicing as part of the centrally retained element of the DSG Early Years block. Under the Early Years funding regulations 95% of the Early Years funding for 3 and 4 year olds must be passed through to Early Years providers, but the remaining 5% can be topsliced by the County Council towards the overheads incurred in running the service. The council increased its topslice from 4% to 4.5% in 2021/22 to save £0.225m and is looking to increase it to the maximum level of 5% in 2022/23 in order to save a further £0.225m. The proposed increase in the County Council's centrally retained element equates to 2.5p per pupil on the hourly rate paid to Early Years providers - although some of this may be able to be paid from an existing £0.15m contingency for growth. The DSG funding rates paid to the County Council are set to increase by 21p per hour for 2 year olds and 17p per hour for 3 and 4 year olds in 2022/23.	n/a	Not likely to be required
<b>sub-total</b>	<b>225</b>	<b>0</b>	<b>225</b>			

**APPENDIX 3**

**BALANCING THE BUDGET**

<b>Activity</b>	<b>2022/23 £000s</b>	<b>2023/24 £000s</b>	<b>Total £000s</b>	<b>Description</b>	<b>Estimated FTE (If Known)</b>	<b>Equality Impact Assessment (EIA)</b>
<b>Support Services and Economic Development:</b>						
IT service redesign	250		250	The fully outsourced contract for IT services concluded at the end of September 2021. The new model has brought benefits in service provision and cost savings, the full year impact of which will be realised in 2022/23.	n/a	Not required - full year impact of previous saving
Public Health – use of uncommitted Public Health Grant	88	38	126	The Help at Home contract was decommissioned in July 2021. This saving represents the full-year effect of that decision and so enables £88k of eligible corporate overheads to be charged against it in order to deliver a saving in Support Services and Economic Development.	n/a	Not likely to be required
<b>sub-total</b>	<b>338</b>	<b>38</b>	<b>376</b>			
<b>Overall total</b>	<b>11,033</b>	<b>438</b>	<b>11,471</b>			

<b>Portfolio Summary</b>	<b>2022/23 £000s</b>	<b>2023/24 £000s</b>	<b>Total £000s</b>
Adults Services	6,870	0	6,870
Children and Young People	2,150	150	2,300
Environment and Climate Change	1,450	0	1,450
Finance and Property	0	250	250
Learning and Skills	225	0	225
Support Services and Economic Development	338	38	376
<b>Total</b>	<b>11,033</b>	<b>438</b>	<b>11,471</b>

**GRANTS TOWARDS SPECIFIC SERVICES**

Portfolio and Grant	2021/22 Budget	2022/23 Budget	Change from 2021/22 Budget	
<b>Specific Government Grants <sup>1</sup></b>	£000	£000	£000	%
<b>Adults Services</b>				
Independent Living Fund	4,309	4,309	0	0.0
Local Reform and Community Voices	157	158	1	0.6
Social Care in Prison	65	49	-16	-24.6
Syrian Vulnerable Persons Resettlement Scheme	441	376	-65	-14.7
Public Health	300	300	0	0.0
Improved Better Care Fund	19,378	20,012	634	3.3
Market Sustainability and Fair Cost of Care	0	2,230	2,230	N/A
War Pensions Scheme Disregard	137	136	-1	-0.7
	<b>24,787</b>	<b>27,570</b>	<b>2,783</b>	<b>11.2</b>
<b>Children and Young People</b>				
Child Asylum Seekers	2,774	2,691	-83	-3.0
Adoption Support Fund	1,830	300	-1,530	-83.6
Asylum - Leaving Care	1,684	3,082	1,398	83.0
Public Health	12,822	12,822	0	0.0
Think Family	1,190	1,190	0	0.0
Staying Put	359	359	0	0.0
Youth Justice Good Practice	563	563	0	0.0
Reducing Parental Conflict Workforce Development	0	9	9	N/A
Family Safeguarding Implementation	0	1,936	1,936	N/A
Improved Better Care Fund	128	100	-28	-21.9
Extending Personal Advisor Offer (Care Leavers)	108	144	36	33.3
	<b>21,458</b>	<b>23,196</b>	<b>1,738</b>	<b>8.1</b>
<b>Community Support, Fire and Rescue</b>				
Public Health	832	832	0	0.0
Fire Revenue	2,199	2,140	-59	-2.7
	<b>3,031</b>	<b>2,972</b>	<b>-59</b>	<b>-1.9</b>
<b>Environment and Climate Change</b>				
Waste PFI	2,124	2,124	0	0.0
	<b>2,124</b>	<b>2,124</b>	<b>0</b>	<b>0.0</b>
<b>Finance and Property</b>				
Inshore Fisheries and Conservation Support	148	148	0	0.0
	<b>148</b>	<b>148</b>	<b>0</b>	<b>0.0</b>
<b>Highways and Transport</b>				
Street Lighting PFI	6,069	6,069	0	0.0
Bus Service Operators	436	436	0	0.0
Lead Local Flood Authority	66	0	-66	-100.0
Public Health	50	50	0	0.0
	<b>6,621</b>	<b>6,555</b>	<b>-66</b>	<b>-1.0</b>

## GRANTS TOWARDS SPECIFIC SERVICES

Portfolio and Grant	2021/22 Budget	2022/23 Budget	Change from 2021/22 Budget	
<b>Specific Government Grants <sup>1</sup></b>	£000	£000	£000	%
<b><i>Learning and Skills</i></b>				
Dedicated Schools	692,971	725,189	32,218	4.6
DSG Supplementary Grant	0	15,548	15,548	N/A
16-19 Sixth Form	12,793	11,220	-1,573	-12.3
Pupil Premium	13,492	13,448	-44	-0.3
Crawley Schools PFI	4,532	4,532	0	0.0
Extended Rights to Free Travel	483	635	152	31.5
Higher Education Funding Council for England	95	95	0	0.0
PE & Sports	3,330	3,288	-42	-1.3
Universal Free School Meals	7,100	6,661	-439	-6.2
Skills Funding Agency	3,006	3,006	0	0.0
Moderation and Phonics Key Stage 2	27	27	0	0.0
Recovery Premium	0	821	821	N/A
School Led Tutoring	0	1,219	1,219	N/A
Virtual School Head Role Extensopm	0	134	134	N/A
Holiday Activities and Food Programme	0	1,746	1,746	N/A
School Improvement Monitoring and Brokerage	825	357	-468	-56.7
	<b>738,654</b>	<b>787,926</b>	<b>49,272</b>	<b>6.7</b>
<b><i>Public Health and Wellbeing</i></b>				
Public Health	19,525	19,952	427	2.2
Improved Better Care Fund	500	500	0	0.0
HIV Pre-exposure Prophylaxis	139	0	-139	-100.0
Local Reform and Community Voices	316	316	0	0.0
	<b>20,480</b>	<b>20,768</b>	<b>288</b>	<b>1.4</b>
<b><i>Support Services and Economic Development</i></b>				
Public Health	1,210	1,298	88	7.3
	<b>1,210</b>	<b>1,298</b>	<b>88</b>	<b>7.3</b>
<b>TOTAL SPECIFIC GOVERNMENT GRANTS</b>	<b>818,513</b>	<b>872,557</b>	<b>54,044</b>	<b>6.6</b>
<sup>1</sup> Where final grant confirmations are outstanding, provisional 2022/23 allocations have been budgeted				
Memo: Other Non-Service and Financing Grants	2021/22 Budget	2022/23 Budget	Change from 2021/22 Budget	
	£000	£000	£000	%
Business Rate Retention Scheme	79,257	87,264	8,007	10.1
Covid-19 Expenditure Pressures Grant	15,618	0	-15,618	-100.0
Local Council Tax Support Grant	6,628	0	-6,628	-100.0
New Homes Bonus Grant	2,352	1,959	-393	-16.7
Services Grant	0	5,464	5,464	N/A
Social Care Support Grant	18,169	25,827	7,658	42.1
<b>TOTAL OTHER NON-SERVICE AND FINANCING GRANTS</b>	<b>122,024</b>	<b>120,514</b>	<b>-1,510</b>	<b>-1.2</b>

**APPENDIX 5**

**RESERVES**

Reserve	Projected balance at 31 March 2022 £000	Projected balance at 31 March 2023 £000	Description
Adult Social Care Support Grant	-499	0	Earmarked as a contribution towards funding the cost of delivering the Adults' Improvement Programme.
Adults & Health Pressures and Recovery	-4,700	-4,700	Held to guard against rebound pressures which are anticipated to materialise within the Adults Services and Public Health & Wellbeing portfolios as we emerge from the coronavirus pandemic.
Ash Dieback	-1,200	-1,200	Held to mitigate against budgetary pressures arising from the need to accelerate critical tree felling work.
Budget Management	-53,724	-58,471	Held to guard against uncertainty and volatility over future Local Government Finance Settlements, business rate income and localisation of Council Tax benefits, as well as guarding against the risk of non-delivery of savings and unforeseen service pressures. The reserve also holds the s31 NNDR3 Reconciliation Grant 2020/21, which will be released to offset collection fund deficits as they arise under legislative arrangements over future years. The projected balances do not include the adjustments which may be required to reflect the final collection fund and business rates figures for 2022/23 once these are confirmed by billing authorities, including the 2022/23 s31 grant and 2021/22 reconciliation payment, or any changes arising from the final Local Government Finance Settlement.
Business Infrastructure	-256	-256	Reserve held to pump-prime local economic developments, through developing the broadband network, facilitating new business start-ups, and financing internal infrastructure improvements using local contractors where appropriate.
Business Rates Appeals	-460	-460	To cover the council's share of any potential liability following successful business rates appeals.
Business Rates Pilot	-17,658	-13,044	This reserve holds the gains from the 75% business rates retention pilot scheme from 2019/20. The gain will be invested jointly by the County Council and Districts/Boroughs on project work with economic benefit, but is reflected in the County's budget as the lead authority.
Contracts Reserve	-349	-349	Provides for potential claims arising from the settlement of contractual arrangements.



**APPENDIX 5**

**RESERVES**

Reserve	Projected balance at 31 March 2022 £000	Projected balance at 31 March 2023 £000	Description
Covid-19 Fund	-15,923	0	Holds the balance of monies allocated by central government to support local authorities with pressures arising from the coronavirus pandemic. The balance includes the remaining Covid-19 Expenditure Pressures and Local Council Tax Support grants which are being held in the reserve. It is expected that all funding received up to 31 March 2022 will be deployed in 2022/23, however the specific funding allocations are unknown at the time of budget setting and consequently these have not been reflected in the portfolio budgets for 2022/23. Once the allocations are determined, details will be reported in the quarterly Performance and Resources Report.
Economic Growth	-1,798	-1,748	Held to deliver the Economic Growth Plan 2018-2023, including the progression of the economic priorities within the Coast to Capital Local Enterprise Partnership.
Elections	0	-200	To hold annual contributions built into the base revenue budget. Will be used to finance administrative costs in an election year.
Highways Commuted Sums	-4,967	-5,559	Holds a balance of contributions received from developers in respect of future maintenance costs of non-standard highways infrastructure.
Highways On Street Parking	-1,421	-1,421	Represents the surplus of charges over enforcement and associated costs, which is used to finance on street parking development and eligible transport network expenditure.
Infrastructure Works Feasibility	-1,459	-1,459	Reserve held to support the development of the County Council's Capital Programme.
Insurance	-4,638	-4,638	Held in respect of the Authority's self-funding insurance scheme, to provide for the risk of unknown future claims. The value of the reserve is subject to regular review by independent insurance advisers to assess its validity in consideration of historical and market trends. Funding is expected to be drawn from the reserve in 2022/23 and details will be reported in the outturn Performance and Resources Report.
Interest Smoothing Account	-2,654	-2,654	Held to meet temporary shortfalls arising from fluctuations in interest rates, such as a reduction in investment returns or increased costs of borrowing, in line with the prudence principle in the financial strategy over matters over which the Council has little control.
Investment Property Sinking Fund	-200	-300	Held to meet one off expenses associated with the maintenance of the Council's commercial investment property portfolio.
Miscellaneous Service Carry Forwards	-57	-57	Holds various instances of service underspending which are individually immaterial and where it has been agreed to carry funding forward to support spending plans in future years.

**APPENDIX 5**

**RESERVES**

Reserve	Projected balance at 31 March 2022 £000	Projected balance at 31 March 2023 £000	Description
One Public Estate	-108	-108	Reserve established to hold the balance of Government grant funding received to develop plans for rationalising the public estate together with partners including District Councils, Health and Sussex Police.
Crawley Schools Private Finance Initiative (PFI)	-172	-172	The PFI reserves hold the surplus of government credits and other sources of finance over unitary charge payments and other expenditure in the early years of the respective contracts, to meet future expenditure over the life of the PFI arrangements. This equalises the costs to the taxpayer of building and maintaining the facilities over the duration of the contracts. This is underpinned by detailed financial models to ensure that the schemes remain solvent throughout their durations.
PFI Street Lighting	-22,933	-22,491	
PFI Waste Management	-10,347	-10,183	
Schools Sickness and Maternity Insurance Scheme	-1,771	-1,771	Holds the accumulated surplus on the Sickness and Maternity Insurance Scheme operated by the Authority for its maintained schools.
Service Transformation Fund	-7,734	-2,300	The Service Transformation Fund is held to meet the costs of major organisational transformation. It is used to fund short-term costs in order to deliver on-going savings, and as a source of investment to finance improvements to services so that they become more efficient and provide better outcomes. The forecast balance at March 2023 assumes that funding will be drawn from the reserve in 2022/23 and no capital flexibilities are applied. The reserve balance would be maintained if the Council uses these flexibilities. Due to this uncertainty, specific funding allocations have not been reflected in the portfolio budgets for 2022/23. Details will be reported in the quarterly Performance and Resources Report.
Social Care Pressures	0	-5,028	Holds funding received as part of the provisional settlement for 2022/23 to address social care pressures that cannot be met from within the service budgets.
Statutory Duties Reserve	-2,437	-2,437	Holds funding to meet any obligations over and above that which the Authority has made provision for.
Street Works Permit Scheme	-268	-268	Street Works Permit surplus income transferred into reserve as the use of this income is restricted to supporting the delivery of the scheme in line with legislation.
Unapplied Revenue Grants	-953	-953	The Unapplied Revenue Grants reserve represents the unspent balance on revenue grants which are received for specific purposes but where there are no outstanding conditions on the grant which could require its repayment. The grant has therefore been recognised in full in accordance with accounting standards, but the unapplied balance is held in a reserve to fund future expenditure plans relevant to the purpose of the grant.

**APPENDIX 5**

**RESERVES**

Reserve	Projected balance at 31 March 2022 £000	Projected balance at 31 March 2023 £000	Description
Waste Management MRMC	-23,464	-22,064	An investment fund to meet the 25-year Materials Resource Management Contract (MRMC) with Biffa Waste Services Ltd for the treatment and disposal of waste, including the development of appropriate facilities.
<b>TOTAL EARMARKED RESERVES (NON SCHOOLS)</b>	<b>-182,150</b>	<b>-164,291</b>	
School Balances	-24,613	-24,613	The School Balances reserve holds net underspending on locally managed budgets.
<b>TOTAL EARMARKED RESERVES (SCHOOLS &amp; NON SCHOOLS)</b>	<b>-206,763</b>	<b>-188,904</b>	
General Fund	-20,286	-20,286	The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Council is statutorily empowered to spend on its services or on capital investment.
Capital Grants Unapplied	-9,405	0	Holds the unspent balance on capital grants which are received for specific purposes where there are no outstanding conditions on the grant which could require its repayment.
<b>TOTAL USABLE RESERVES</b>	<b>-236,454</b>	<b>-209,190</b>	

**APPENDIX 6**

**ADULTS SERVICES**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
<b>Older People</b>							
<i>Commissioned Costs</i>							
<b>17,390</b>	Nursing Care (OP)	29,095	-14,596	0	-892	<b>13,607</b>	-21.8%
<b>31,398</b>	Residential Care (OP)	75,429	-23,959	-6,599	-14,745	<b>30,126</b>	-4.1%
<b>20,365</b>	Personal Budgets - Council Managed (OP)	38,748	-9,526	-1,723	-3,517	<b>23,982</b>	17.8%
<b>4,967</b>	Personal Budgets - Direct Payments (OP)	8,155	-1,694	-61	-256	<b>6,144</b>	23.7%
<b>0</b>	<i>Other Costs</i>	0	0	0	0		
<b>1,646</b>	In-House Day and Residential Care (OP)	1,765	-72	0	0	<b>1,693</b>	2.9%
<b>8,702</b>	Social Care Activities (OP)	19,023	0	-6,544	-224	<b>12,255</b>	40.8%
<b>84,468</b>		172,215	-49,847	-14,927	-19,634	<b>87,807</b>	4.0%
<b>Physical and Sensory Impairment</b>							
<i>Commissioned Costs</i>							
<b>1,632</b>	Nursing Care (PSI)	1,790	-303	0	0	<b>1,487</b>	-8.9%
<b>5,896</b>	Residential Care (PSI)	5,642	-696	0	0	<b>4,946</b>	-16.1%
<b>6,222</b>	Personal Budgets - Council Managed (PSI)	7,054	-756	0	0	<b>6,298</b>	1.2%
<b>7,560</b>	Personal budgets - Direct Payments (PSI)	9,391	-935	-33	-1,175	<b>7,248</b>	-4.1%
<b>615</b>	Social Care Activities (PSI)	671	0	0	0	<b>671</b>	9.1%
<b>21,925</b>		24,548	-2,690	-33	-1,175	<b>20,650</b>	-5.8%
<b>Learning Disabilities</b>							
<b>1,044</b>	Nursing Care (LD)	1,271	-97	0	0	<b>1,174</b>	12.5%
<b>39,234</b>	Residential Care (LD)	46,942	-3,342	0	-876	<b>42,724</b>	8.9%
<b>35,359</b>	Personal Budgets - Council Managed (LD)	42,482	-3,916	0	-4,091	<b>34,475</b>	-2.5%
<b>9,027</b>	Personal Budgets - Direct Payments (LD)	10,164	-1,045	0	0	<b>9,119</b>	1.0%
<b>0</b>	Preventative Services (LD)	1,322	0	-1,322	0	<b>0</b>	N/A
	In-House Day and Residential Care						
<b>10,427</b>	Recharges (LD)	10,986	0	0	0	<b>10,986</b>	5.4%
<b>3,275</b>	Health Services (LD)	3,884	0	0	0	<b>3,884</b>	18.6%
<b>0</b>	<i>Other Costs</i>	0	0	0	0		
<b>3,366</b>	Social Care Activities (LD)	3,491	0	0	0	<b>3,491</b>	3.7%
<b>-19,333</b>	CCG Contribution to Pooled Budget	0	0	-20,221	0	<b>-20,221</b>	4.6%
<b>82,399</b>		120,542	-8,400	-21,543	-4,967	<b>85,632</b>	3.9%

**APPENDIX 6**

**ADULTS SERVICES**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
<b>Working Age Mental Health</b>							
<i>Commissioned Costs</i>							
<b>2,504</b>	Nursing Care (MH)	2,662	-63	0	0	<b>2,599</b>	3.8%
<b>9,389</b>	Residential Care (MH)	10,260	-506	0	0	<b>9,754</b>	3.9%
<b>6,925</b>	Personal Budgets - Council Managed (MH)	7,456	-234	0	0	<b>7,222</b>	4.3%
<b>1,010</b>	Personal Budgets - Direct Payments (MH)	1,119	-50	0	0	<b>1,069</b>	5.8%
<b>-19,827</b>	Recharges To Health	0	0	-20,644	0	<b>-20,644</b>	4.1%
<b>0</b>	<i>Other Costs</i>	0	0	0	0	<b>0</b>	
<b>738</b>	Social Care Activities (MH)	3,569	0	-2,188	0	<b>1,381</b>	87.1%
	County Council Contribution to Pooled						
<b>9,481</b>	Budget	9,832	0	0	0	<b>9,832</b>	3.7%
<b>10,220</b>		34,898	-853	-22,832	0	<b>11,213</b>	9.7%
<b>Assistive Equipment and Technology</b>							
<b>0</b>	Community Equipment	9,818	0	-9,818	0	<b>0</b>	N/A
<b>0</b>	Telecare	1,111	0	-1,111	0	<b>0</b>	N/A
<b>0</b>		10,929	0	-10,929	0	<b>0</b>	N/A
<b>Universal Services</b>							
<b>0</b>	Community Reablement Service	4,137	0	-4,137	0	<b>0</b>	N/A
<b>0</b>	Occupational Therapy & Sensory Services	6,468	0	-6,468	0	<b>0</b>	N/A
<b>0</b>	Meals on Wheels	934	-934	0	0	<b>0</b>	N/A
<b>2,062</b>	Support for Carers	5,071	0	-2,562	-587	<b>1,922</b>	-6.8%
<b>0</b>	Information and Early Intervention	770	0	-770	0	<b>0</b>	N/A
<b>2,062</b>		17,380	-934	-13,937	-587	<b>1,922</b>	-6.8%

**APPENDIX 6**

**ADULTS SERVICES**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
<b>Other Responsibilities</b>							
	Independent Mental Capacity						
<b>1,304</b>	Act/Deprivation of Liberty Safeguarding	2,014	0	-500	-158	<b>1,356</b>	4.0%
<b>100</b>	Local Assistance Network	102	0	0	0	<b>102</b>	2.0%
<b>2,354</b>	Housing Related Support	2,804	0	-363	0	<b>2,441</b>	3.7%
<b>863</b>	Safeguarding	1,354	0	-247	-203	<b>904</b>	4.8%
<b>2,661</b>	Commissioning and Service Delivery	4,182	0	-1,393	-170	<b>2,619</b>	-1.6%
<b>294</b>	Blue Badge Scheme	446	-157	0	0	<b>289</b>	-1.7%
<b>0</b>	Syrian Refugees	376	0	0	-376	<b>0</b>	N/A
<b>893</b>	Domestic Abuse Services	1,591	0	-350	-300	<b>941</b>	5.4%
<b>8,469</b>		12,869	-157	-2,853	-1,207	<b>8,652</b>	2.2%
<b>209,543</b>	<b>PORTFOLIO TOTAL</b>	<b>393,381</b>	<b>-62,881</b>	<b>-87,054</b>	<b>-27,570</b>	<b>215,876</b>	<b>3.0%</b>

**APPENDIX 6**

**ADULTS SERVICES**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £6.333m or 3%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	9,011		
Health and Social Care Levy - impact on County Council employed staff	<u>307</u>	9,318	4.4
<b>Committed and Service Changes</b>			
Adults demand pressures	7,500		
National Living Wage	5,350		
Funding from the Improved Better Care Fund	-10,000		
Health and Social Care Levy - impact on external providers	2,000		
Net reduction in application of the Adult Social Care Support Grant 2018/19 reserve	<u>-519</u>	4,331	2.1
<b>Balancing the Budget</b>			
As detailed in Appendix 3		-6,870	-3.3
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>-446</u>	-0.2
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>6,333</u></b>	<b>3.0</b>

APPENDIX 6

CHILDREN AND YOUNG PEOPLE

REVENUE BUDGET 2022/23

Net Expenditure 2021/22	Gross Expenditure 2022/23	Sales, Fees and Charges 2022/23	Other Income 2022/23	Specific Government Grants 2022/23	Net Expenditure 2022/23	Net Expenditure Change from 2021/22	
£000	£000	£000	£000	£000	£000	%	
<b>Services for Children with Disabilities</b>							
<b>7,018</b>	In House Residential & Fostercare	7,095	0	0	0	7,095	1.1%
	Externally Commissioned Residential & Fostercare						
<b>5,535</b>		6,081	0	0	0	6,081	9.9%
<b>1,261</b>	Disability Short Breaks	1,249	0	0	0	1,249	-1.0%
<b>3,758</b>	Direct Payments	4,047	0	0	0	4,047	7.7%
<b>748</b>	Client Expenditure	1,492	0	-925	0	567	-24.2%
<b>3,143</b>	Staffing	3,984	0	-145	0	3,839	22.1%
<b>Services for Children without Disabilities</b>							
<b>8,893</b>	In House Residential & Fostercare	7,764	0	0	0	7,764	-12.7%
	Externally Commissioned Residential & Fostercare						
<b>28,866</b>		30,720	0	-60	0	30,660	6.2%
<b>5,432</b>	Adoption & Special Guardianship	6,767	0	-81	-300	6,386	17.6%
<b>736</b>	Client Expenditure	936	0	0	0	936	27.2%
<b>1,070</b>	Supervised Contact	1,144	0	0	0	1,144	6.9%
<b>14,285</b>	Staffing	18,930	0	-920	-100	17,910	25.4%
<b>Services for Asylum Seekers</b>							
<b>294</b>	In House Residential & Fostercare	293	0	0	0	293	-0.3%
	Externally Commissioned Residential & Fostercare						
<b>3,449</b>		4,657	0	0	0	4,657	35.0%
<b>287</b>	Client Expenditure	402	0	0	0	402	40.1%
<b>421</b>	Staffing	479	0	0	0	479	13.8%
<b>-4,458</b>	Asylum Grant	0	0	0	-5,773	-5,773	29.5%
<b>Services for Care Leavers</b>							
<b>5,084</b>	Accommodation & Support	5,806	0	0	-359	5,447	7.1%
<b>1,236</b>	Staffing	1,747	0	0	-144	1,603	29.7%



**APPENDIX 6**

**CHILDREN AND YOUNG PEOPLE**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Family Safeguarding</b>						
<b>14,095</b>	Staffing	15,941	0	0	0	<b>15,941</b>	13.1%
<b>1,062</b>	Client Expenditure	1,862	0	0	0	<b>1,862</b>	75.3%
	<b>Early Help &amp; Prevention</b>						
<b>6,794</b>	Early Help	9,604	0	0	-2,986	<b>6,618</b>	-2.6%
<b>0</b>	Healthy Child Programme	11,026	0	0	-11,026	<b>0</b>	N/A
<b>2,081</b>	Intentionally Homeless	2,434	0	-600	0	<b>1,834</b>	-11.9%
<b>3,845</b>	<b>Safeguarding, Quality and Practice</b>	5,410	0	-241	-9	<b>5,160</b>	34.2%
<b>754</b>	<b>Youth Offending Service</b>	1,711	0	-261	-563	<b>887</b>	17.6%
	<b>Child &amp; Adolescent Mental Health Services</b>						
<b>1,285</b>	Services	2,090	0	-801	0	<b>1,289</b>	0.3%
<b>13,834</b>	<b>Management &amp; Business Support</b>	12,892	0	-15	-1,936	<b>10,941</b>	-20.9%
<b>130,808</b>	<b>PORTFOLIO TOTAL</b>	<b>166,563</b>	<b>0</b>	<b>-4,049</b>	<b>-23,196</b>	<b>139,318</b>	<b>6.5%</b>

**CHILDREN AND YOUNG PEOPLE**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £8.51m or 6.5%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	5,606		
Health and Social Care Levy - impact on County Council employed staff	<u>448</u>		
		6,054	4.6
<b>Committed and Service Changes</b>			
Children's Improvement Fund - reversal of prior year one-off funding	-1,380		
Reduction in application of Childrens First reserve	-1,500		
Increased demand for Children We Care For	2,700		
Funding for new Social Work pay offer	600		
Extension of Children First Programme Management Office	260		
Fostering Service Review	1,500		
Friends & Family Fostering Service	300		
Intentionally Homeless - property leases	156		
Intentionally Homeless - reduction in demand	-400		
Extending temporary element of improvement fund	505		
Increased staffing pressure due to increased demand	500		
Creation of Practice Improvement team	220		
In house Residential strategy	374		
External providers - impact of National Insurance increases	630		
Childrens Emotional Wellbeing and Mental Health	<u>350</u>		
		4,815	3.7
<b>Balancing the Budget</b>			
As detailed in Appendix 3		-2,150	-1.6
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>-209</u>	<u>-0.2</u>
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>8,510</u></b>	<b><u>6.5</u></b>

**APPENDIX 6**

**COMMUNITY SUPPORT, FIRE AND RESCUE**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Fire &amp; Rescue</b>						
	Strategic Leadership, Governance and Assurance	4,304	-298	0	-1,727	2,279	4.2%
2,188	Fleet and Fire Equipment	4,001	0	0	-413	3,588	8.3%
3,314	People and Organisational Development	2,623	0	0	0	2,623	12.4%
2,334	Prevention and Inspection	1,341	0	0	-477	864	-29.6%
1,228	Protection	1,864	0	0	0	1,864	62.2%
1,149	Resilience and Emergencies	402	0	0	0	402	5.0%
383	Response	19,625	0	0	0	19,625	12.0%
17,517	Strategic Risk and Improvement	994	0	0	0	994	8.0%
920							
<b>29,033</b>		<b>35,154</b>	<b>-298</b>	<b>0</b>	<b>-2,617</b>	<b>32,239</b>	<b>11.0%</b>
	<b>Information and Regulatory Services</b>						
	Library Service	8,183	-565	-66	-105	7,447	5.3%
7,075	Record Office	858	-51	0	0	807	4.5%
772	Registration of Births, Deaths and Marriages	1,412	-2,199	-134	0	-921	-5.6%
-976							
<b>6,871</b>		<b>10,453</b>	<b>-2,815</b>	<b>-200</b>	<b>-105</b>	<b>7,333</b>	<b>6.7%</b>
	<b>Communities</b>						
	Communities and Partnerships	2,631	0	-114	-250	2,267	18.7%
1,910	Community Safety and Wellbeing	613	-394	0	0	219	45.0%
151	HM Coroner	1,561	0	-1	0	1,560	16.3%
1,341	Edes House	81	0	0	0	81	5.2%
77	Enforcement	133	0	-105	0	28	12.0%
25	Trading Standards	1,430	-36	-11	0	1,383	5.1%
1,316							
<b>4,820</b>		<b>6,449</b>	<b>-430</b>	<b>-231</b>	<b>-250</b>	<b>5,538</b>	<b>14.9%</b>
	<b>PORTFOLIO TOTAL</b>	<b>52,056</b>	<b>-3,543</b>	<b>-431</b>	<b>-2,972</b>	<b>45,110</b>	<b>10.8%</b>

**COMMUNITY SUPPORT, FIRE AND RESCUE**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £4.386m or 10.8%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	1,979		
Health and Social Care Levy - impact on County Council employed staff	<u>244</u>		
		2,223	5.5
<b>Committed and Service Changes</b>			
Fire and Rescue Community Risk Management Plan	1,300		
Firefighter uniforms	100		
Fire survival guidance - response to Grenfell	200		
Communities Directorate Demand pressures	<u>212</u>		
		1,812	4.4
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>351</u>	0.9
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>4,386</u></b>	<b>10.8</b>

**APPENDIX 6**

**ENVIRONMENT AND CLIMATE CHANGE**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Environment and Public Protection</b>						
<b>2,999</b>	Energy and Sustainability	5,398	-1,717	-403	0	<b>3,278</b>	9.3%
<b>18,320</b>	Waste Recycling	24,134	-2,702	-755	-2,124	<b>18,553</b>	1.3%
<b>38,104</b>	Waste Disposal	38,750	-250	-11	0	<b>38,489</b>	1.0%
<b>1,004</b>	Waste Strategy and Support	1,115	0	0	0	<b>1,115</b>	11.1%
<b>60,427</b>		<b>69,397</b>	<b>-4,669</b>	<b>-1,169</b>	<b>-2,124</b>	<b>61,435</b>	<b>1.7%</b>
	<b>Other Responsibilities</b>						
	Countryside Services (Including Public Rights of Way)						
<b>1,429</b>		1,530	-43	-17	0	<b>1,470</b>	2.9%
<b>-1,043</b>	Planning Services	3,164	-2,890	-1,101	0	<b>-827</b>	-20.7%
<b>60,813</b>	<b>PORTFOLIO TOTAL</b>	<b>74,091</b>	<b>-7,602</b>	<b>-2,287</b>	<b>-2,124</b>	<b>62,078</b>	<b>2.1%</b>

**ENVIRONMENT AND CLIMATE CHANGE**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £1.265m or 2.1%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	3,106		
Health and Social Care Levy - impact on County Council employed staff	<u>36</u>		
		3,142	5.2
<b>Committed and Service Changes</b>			
Utilities reduction relating to withdrawal from Centenary House, Durrington	-35		
Net decrease in application of Waste Management Material Resource Management Contract (MRMC) reserve	-500		
Net decrease in application of Waste Management Private Finance Initiative reserve	<u>-36</u>		
		-571	-0.9
<b>Balancing the Budget</b>			
As detailed in Appendix 3		-1,450	-2.4
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>144</u>	<u>0.2</u>
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>1,265</u></b>	<b><u>2.1</u></b>

**APPENDIX 6**

**FINANCE AND PROPERTY**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Finance</b>						
<b>5,008</b>	Finance	5,998	-573	-437	0	<b>4,988</b>	-0.4%
<b>595</b>	Internal Audit	628	0	0	0	<b>628</b>	5.5%
	Strategic Procurement and Contract						
<b>1,585</b>	Management	1,935	-218	0	0	<b>1,717</b>	8.3%
<b>1,233</b>	Intelligence and Performance	1,299	0	0	0	<b>1,299</b>	5.4%
<b>1,826</b>	Levies and Precepts	2,031	0	0	-148	<b>1,883</b>	3.1%
<b>331</b>	Fees and Other Payments	401	0	-49	0	<b>352</b>	6.3%
<b>40</b>	Council Tax Hardship Fund	40	0	0	0	<b>40</b>	0.0%
<b>158</b>	Insurance	127	0	0	0	<b>127</b>	-19.6%
<b>10,776</b>		<b>12,459</b>	<b>-791</b>	<b>-486</b>	<b>-148</b>	<b>11,034</b>	<b>2.4%</b>
	<b>69 Catering Service</b>	201	-99	-20	0	<b>82</b>	18.8%
<b>7,714</b>	<b>Facilities Management</b>	8,568	-320	-177	0	<b>8,071</b>	4.6%
<b>5,065</b>	<b>Capital and Infrastructure (Property)</b>	11,124	-3,562	-1,618	0	<b>5,944</b>	17.4%
<b>23,624</b>	<b>PORTFOLIO TOTAL</b>	<b>32,352</b>	<b>-4,772</b>	<b>-2,301</b>	<b>-148</b>	<b>25,131</b>	<b>6.4%</b>

**FINANCE AND PROPERTY**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £1.507m or 6.4%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	946		
Health and Social Care Levy - impact on County Council employed staff	<u>103</u>		
		1,049	4.4
<b>Committed and Service Changes</b>			
Asset & Estates staffing changes (one year saving in 21/22)	66		
Reduction in Commercial Rental Income - Churchill Court	102		
Withdrawal from Centenary House Durrington	385		
Increased Property Maintenance	150		
Management of School Maintenance and Enhancement Projects	<u>90</u>		
		793	3.4
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>-335</u>	<u>-1.4</u>
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>1,507</u></b>	<b><u>6.4</u></b>



**APPENDIX 6**

**HIGHWAYS AND TRANSPORT**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		Gross Expenditure 2022/23	Sales, Fees and Charges 2022/23	Other Income 2022/23	Specific Government Grants 2022/23	<b>Net Expenditure 2022/23</b>	Net Expenditure Change from 2021/22
<b>£000</b>		£000	£000	£000	£000	£000	%
<b>Highways Service</b>							
<b>3,001</b>	Highways Service	5,450	-1,700	-250	0	<b>3,500</b>	16.6%
<b>10,000</b>	Highways Maintenance	12,885	0	0	0	<b>12,885</b>	28.9%
<b>1,500</b>	Ash Dieback Action Plan	1,555	0	0	0	<b>1,555</b>	3.7%
<b>0</b>	West Sussex Permit Scheme	2,200	-2,200	0	0	<b>0</b>	N/A
<b>9,328</b>	Street Lighting PFI	16,042	0	-139	-6,069	<b>9,834</b>	5.4%
<b>23,829</b>		<b>38,132</b>	<b>-3,900</b>	<b>-389</b>	<b>-6,069</b>	<b>27,774</b>	<b>16.6%</b>
<b>Transport and Countryside</b>							
<b>10,271</b>	National Concessionary Fares Scheme	12,151	0	-1,070	-19	<b>11,062</b>	7.7%
<b>1,221</b>	Public Transport Support	2,397	0	-769	-355	<b>1,273</b>	4.3%
<b>1,273</b>	Transport Co-ordination and Safety	2,629	-482	-586	-112	<b>1,449</b>	13.8%
<b>0</b>	Sussex Safer Roads Partnership	2,520	-2,420	-100	0	<b>0</b>	N/A
<b>0</b>	On Street Car Parking	4,964	-4,900	-64	0	<b>0</b>	N/A
<b>12,765</b>		<b>24,661</b>	<b>-7,802</b>	<b>-2,589</b>	<b>-486</b>	<b>13,784</b>	<b>8.0%</b>
<b>Other Responsibilities</b>							
<b>-17</b>	Management and Central	-132	0	-54	0	<b>-186</b>	994.1%
<b>36,577</b>	<b>PORTFOLIO TOTAL</b>	<b>62,661</b>	<b>-11,702</b>	<b>-3,032</b>	<b>-6,555</b>	<b>41,372</b>	<b>13.1%</b>

**HIGHWAYS AND TRANSPORT**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £4.795m or 13.1%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	1,857		
Health and Social Care Levy - impact on County Council employed staff	<u>74</u>		
		1,931	5.3
<b>Committed and Service Changes</b>			
Highways service improvement	2,590		
Reinstatement of budget following use of one off funding to support highways and transport priorities in 2021/22	500		
Net increase in application of the Highways Commuted Sums reserve	<u>6</u>		
		3,096	8.5
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>-232</u>	<u>-0.6</u>
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>4,795</u></b>	<b><u>13.1</u></b>

**APPENDIX 6**

**LEADER**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Chief Executive</b>						
<b>540</b>	Chief Executive	726	0	0	0	<b>726</b>	34.4%
<b>283</b>	Policy Team	297	0	0	0	<b>297</b>	4.9%
<b>629</b>	Personal Assistants	615	0	0	0	<b>615</b>	-2.2%
<b>1,452</b>		<b>1,638</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,638</b>	<b>12.8%</b>
	<b>Economy</b>						
<b>305</b>	Economic Growth	439	-29	0	0	<b>410</b>	34.4%
<b>164</b>	One Public Estate	214	0	0	0	<b>214</b>	30.5%
<b>669</b>	Economic Development	762	0	-132	0	<b>630</b>	-5.8%
<b>1,138</b>		<b>1,415</b>	<b>-29</b>	<b>-132</b>	<b>0</b>	<b>1,254</b>	<b>10.2%</b>
<b>2,590</b>	<b>PORTFOLIO TOTAL</b>	<b>3,053</b>	<b>-29</b>	<b>-132</b>	<b>0</b>	<b>2,892</b>	<b>11.7%</b>

**LEADER**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £0.302m or 11.7%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	90		
Health and Social Care Levy - impact on County Council employed staff	<u>15</u>	105	4.1
<b>Committed and Service Changes</b>			
Reinstatement of One Public Estate budget following a one off reduction in 2021/22	50		
Net increase in application of the Economic Growth Reserve	<u>27</u>	77	3.0
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>120</u>	4.6
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>302</u></b>	<b><u>11.7</u></b>

**APPENDIX 6**

**LEARNING AND SKILLS**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>	<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
<b><u>Local Authority Funding</u></b>						
<b>School Budgets</b>						
<b>0</b>	17,490	0	0	-17,490	<b>0</b>	N/A
<b>Support to Schools</b>						
<b>1,621</b>	7,891	0	-1,320	-4,532	<b>2,039</b>	25.8%
<b>-36</b>	6,937	-153	-160	-6,661	<b>-37</b>	2.8%
<b>0</b>	1,377	0	0	-1,377	<b>0</b>	N/A
<b>School Transport</b>						
<b>369</b>	479	0	0	0	<b>479</b>	29.8%
<b>3,746</b>	4,034	-131	-25	0	<b>3,878</b>	3.5%
<b>13,635</b>	18,271	0	-131	-635	<b>17,505</b>	28.4%
<b>182</b>	294	-104	0	0	<b>190</b>	4.4%
<b>320</b>	332	0	-1	0	<b>331</b>	3.4%
<b>Education and Skills Service</b>						
<b>105</b>	332	0	-45	0	<b>287</b>	173.3%
<b>920</b>	895	0	0	0	<b>895</b>	-2.7%
<b>365</b>	1,150	-65	-253	-384	<b>448</b>	22.7%
<b>3,631</b>	4,922	0	-585	0	<b>4,337</b>	19.4%
<b>492</b>	529	0	-29	0	<b>500</b>	1.6%
<b>245</b>	818	0	0	-134	<b>684</b>	179.2%
<b>Other</b>						
<b>1,182</b>	1,365	0	0	-95	<b>1,270</b>	7.4%
<b>-41</b>	3,082	-67	0	-3,058	<b>-43</b>	4.9%
<b>0</b>	1,746	0	0	-1,746	<b>0</b>	
<b>-1,520</b>	-1,226	0	0	0	<b>-1,226</b>	-19.3%
<b>25,216</b>	<b>70,718</b>	<b>-520</b>	<b>-2,549</b>	<b>-36,112</b>	<b>31,537</b>	<b>25.1%</b>

**APPENDIX 6**

**LEARNING AND SKILLS**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
<b><u>Dedicated Schools Grant Funding</u></b>							
<b>School Budgets</b>							
<b>538,323</b>	Mainstream Schools	583,990	0	0	-11,077	<b>572,913</b>	6.4%
<b>41,964</b>	Special Schools & Support Centres	50,621	0	0	0	<b>50,621</b>	20.6%
<b>Support to Schools</b>							
<b>2,000</b>	Growth Fund	2,599	0	0	0	<b>2,599</b>	30.0%
<b>687</b>	Collaborative Inclusion & Improvement	505	0	0	0	<b>505</b>	-26.5%
<b>934</b>	School Redundancies & Pensions	936	0	0	0	<b>936</b>	0.2%
<b>62</b>	School Catering	63	0	-1	0	<b>62</b>	0.0%
<b>823</b>	Other Support to Schools	845	0	0	0	<b>845</b>	2.7%
<b>Special Educational Needs</b>							
<b>32,547</b>	Independent & Non-Maintained Schools	34,820	0	0	0	<b>34,820</b>	7.0%
<b>1,196</b>	Other Local Authority Schools	1,537	0	0	0	<b>1,537</b>	28.5%
<b>5,963</b>	Post-16 Placements	5,988	0	0	0	<b>5,988</b>	0.4%
<b>6,794</b>	Alternative Provision	7,501	0	-322	0	<b>7,179</b>	5.7%
<b>648</b>	Transport (Alternative Provision)	648	0	0	0	<b>648</b>	0.0%
<b>3,955</b>	Specialist Support	4,350	0	0	0	<b>4,350</b>	10.0%
<b>Early Years</b>							
<b>46,787</b>	Independent Early Years Providers	46,850	0	0	0	<b>46,850</b>	0.1%
<b>153</b>	Specialist Support	126	0	0	0	<b>126</b>	-17.6%
<b>Education and Skills Service</b>							
<b>666</b>	Director of Education	540	0	0	0	<b>540</b>	-18.9%
<b>2,818</b>	Standards & Effectiveness	2,895	0	0	0	<b>2,895</b>	2.7%
<b>3,607</b>	SEND & Inclusion	5,193	-18	-74	0	<b>5,101</b>	41.4%
<b>1,602</b>	Organisation & Planning	1,497	0	-101	0	<b>1,396</b>	-12.9%
<b>389</b>	Virtual School	399	0	0	0	<b>399</b>	2.6%

**APPENDIX 6**

**LEARNING AND SKILLS**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>		<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>%</b>
	<b>Other</b>						
<b>2,831</b>	Overheads & Recharges	4,946	0	0	0	<b>4,946</b>	74.7%
<b>-5,777</b>	Transfer from DSG Reserves	-7,000	0	0	0	<b>-7,000</b>	21.2%
	<b>Government Grant</b>						
<b>-691,453</b>	Dedicated Schools Grant	0	0	0	-725,189	<b>-725,189</b>	4.9%
<b>0</b>	DSG Supplementary Grant	0	0	0	-15,548	<b>-15,548</b>	#DIV/0!
<b>-2,481</b>	<b>Dedicated Schools Grant</b>	749,849	-18	-498	-751,814	<b>-2,481</b>	0.0%
<b>22,735</b>	<b>PORTFOLIO TOTAL</b>	<b>820,567</b>	<b>-538</b>	<b>-3,047</b>	<b>-787,926</b>	<b>29,056</b>	<b>27.8%</b>

**LEARNING AND SKILLS  
CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £6.321m or 27.8%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	1,441		
Health and Social Care Levy - impact on County Council employed staff	<u>73</u>		
		1,514	6.7
<b>Committed and Service Changes</b>			
Home to School Transport pressures 2021/22	2,200		
Home to School Transport pressures 2022/23	1,400		
Educational Psychology Service	580		
Virtual School	138		
Repayment of one-off funding to support DSG Central block reduction	<u>-253</u>		
		4,065	17.9
<b>Balancing the Budget</b>			
As detailed in Appendix 3		-225	-1.0
<b>Funding from Central Government</b>			
Expenditure:			
Directly allocated to mainstream schools	34,848		
Special educational needs	12,568		
Other minor variations	1,856		
Financed by:			
Dedicated Schools Grant (DSG)	-32,218		
DSG Supplementary Grant	-15,548		
16-19 Sixth Form Grant	1,573		
Recovery Premium	-821		
School Led Tutoring	-1,219		
PE & Sports Grant	42		
Pupil Premium Grant	44		
Universal Free School Meals	439		
Virtual School Head Role Extension	-134		
Extended Rights to Free Travel	-152		
Holiday Activities and Food Programme	-1,746		
School Improvement Monitoring & Brokerage Grant	<u>468</u>		
		0	0.0
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>967</u>	<u>4.3</u>
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>6,321</u></b>	<b><u>27.8</u></b>



**APPENDIX 6**

**PUBLIC HEALTH AND WELLBEING**

**REVENUE BUDGET 2022/23**

<b>Net Expenditure 2021/22</b>	<b>Gross Expenditure 2022/23</b>	<b>Sales, Fees and Charges 2022/23</b>	<b>Other Income 2022/23</b>	<b>Specific Government Grants 2022/23</b>	<b>Net Expenditure 2022/23</b>	<b>Net Expenditure Change from 2021/22</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
<b>Public Health and Wellbeing</b>						
<b>0</b> Staffing & Development	3,964	0	0	-3,964	<b>0</b>	N/A
<b>0</b> Health Intelligence, Economic Evaluation & Needs Assessment	39	0	0	-39	<b>0</b>	N/A
<b>0</b> Health Protection & Quality Programme	110	0	0	-110	<b>0</b>	N/A
<b>0</b> Integrated Sexual Health Services	4,947	0	0	-4,947	<b>0</b>	N/A
<b>0</b> Living Well	3,889	0	0	-3,889	<b>0</b>	N/A
<b>0</b> Ageing Well	1,703	0	-245	-1,458	<b>0</b>	N/A
<b>0</b> Drugs and Alcohol Action Team	6,199	-15	-139	-6,045	<b>0</b>	N/A
<b>0</b> Health Watch	316	0	0	-316	<b>0</b>	N/A
<b>0 PORTFOLIO TOTAL</b>	<b>21,167</b>	<b>-15</b>	<b>-384</b>	<b>-20,768</b>	<b>0</b>	<b>N/A</b>

APPENDIX 6

SUPPORT SERVICES AND ECONOMIC DEVELOPMENT

REVENUE BUDGET 2022/23

Net Expenditure 2021/22		Gross Expenditure 2022/23	Sales, Fees and Charges 2022/23	Other Income 2022/23	Specific Government Grants 2022/23	Net Expenditure 2022/23	Net Expenditure Change from 2021/22
£000		£000	£000	£000	£000	£000	%
<b>19,846</b>	<b>Commercial Services</b>	8,769	-96	0	0	<b>8,673</b>	-56.3%
	<b>Support Services</b>						
<b>2,254</b>	Information Technology	13,385	0	0	0	<b>13,385</b>	493.8%
<b>0</b>	Information Technology Strategic Client Human Resources & Organisational	608	0	0	0	<b>608</b>	N/A
<b>6,204</b>	Change	7,226	-104	-36	0	<b>7,086</b>	14.2%
<b>742</b>	Transformation Portfolio Office	747	0	0	0	<b>747</b>	0.7%
<b>5,725</b>	Legal Services	6,510	-513	0	0	<b>5,997</b>	4.8%
<b>1,161</b>	Democratic Services	1,380	0	-122	0	<b>1,258</b>	8.4%
<b>1,026</b>	Elections	26	0	0	0	<b>26</b>	-97.5%
<b>1,434</b>	Members Allowances and Expenses	1,485	0	0	0	<b>1,485</b>	3.6%
<b>1,319</b>	Communications	1,479	-50	0	0	<b>1,429</b>	8.3%
<b>1,558</b>	Customer Experience	1,702	0	-5	0	<b>1,697</b>	8.9%
<b>-1,210</b>	Overheads - Public Health Grant	0	0	0	-1,298	<b>-1,298</b>	7.3%
<b>20,213</b>		34,548	-667	-163	-1,298	<b>32,420</b>	<b>60.4%</b>
	<b>Economic Development</b>						
<b>273</b>	Digital Infrastructure	898	0	-504	0	<b>394</b>	44.3%
<b>273</b>		898	0	-504	0	<b>394</b>	<b>44.3%</b>
<b>40,332</b>	<b>PORTFOLIO TOTAL</b>	<b>44,215</b>	<b>-763</b>	<b>-667</b>	<b>-1,298</b>	<b>41,487</b>	<b>2.9%</b>

**APPENDIX 6**

**SUPPORT SERVICES AND ECONOMIC DEVELOPMENT**

**CHANGE IN SPENDING**

As analysed in the table below, the increase in spending is £1.155m or 2.9%

	£000	£000	%
<b>Allowance for Pay and Price Increases</b>			
Pay and price rise allowance	1,706		
Health and Social Care Levy - impact on County Council employed staff	<u>138</u>	1,844	4.6
<b>Committed and Service Changes</b>			
Reversal of 2021/22 Election Costs	-200		
Digital Infrastructure - Reversal of one off saving	45		
Increased Unison support	75		
Delayed Human Resources & Organisational Development service re-design until 2023/24	390		
Undeliverable Human Resources & Organisational Development income	75		
Demand pressures within Communities Directorate	44		
Reduction in application of the Election Reserve	<u>-800</u>	-371	-0.9
<b>Balancing the Budget</b>			
As detailed in Appendix 3		-338	-0.8
<b>Transfers between Portfolios</b>			
Net cross portfolio transfers		<u>20</u>	0.0
<b>TOTAL CHANGE IN SPENDING</b>		<b><u>1,155</u></b>	<b>2.9</b>

# APPENDIX 7

## Fees and Charges

Section 3 of the Localism Act 2011 and Section 93 of the Local Government Act set out the **general legal framework regarding charging for services**, albeit that various other specific legal provisions and local policy objectives may also influence or dictate the level of fees or income to be generated.

**Statutory Fees and Charges** are charging structures set by relevant national bodies, usually with regulatory responsibility for the service which must be adhered to.

The proposed **Discretionary Fees and Charges** for 2022/23 are detailed in the document below. Discretionary Fees and Charges largely fall into the following categories:

- **Cost Recovery** - a fee or charge levied to ensure the cost of the service provided is fully recovered,
- **Subsidised** - where the County Council has decided to subsidise a service when setting the related fees and charges.

Generally, the County Council increases its fees and charges by the published September Retail Price Index (RPI) rate. This is in-line with the County Council's policy to budget for cost inflation. The **RPI rate as at September 2021 increased by 4.9%**.

All changes will be implemented from **1st April 2022**, unless otherwise stated.

A full list of the West Sussex Fees and Charges for 2022/23 will be published separately on our website.

### Adult's Services Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Adult Services	Meeting Space Letting - Small Room (1)	Hour	8.38	8.38	Exempt (0%)	<b>8.80</b>	<b>8.80</b>	5.0%	Cost Recovery
Adult Services	Meeting Space Letting - Medium Room (1)	Hour	11.11	11.11	Exempt (0%)	<b>11.70</b>	<b>11.70</b>	5.3%	Cost Recovery
Adult Services	Meeting Space Letting - Large Room (1)	Hour	14.06	14.06	Exempt (0%)	<b>14.70</b>	<b>14.70</b>	4.6%	Cost Recovery
Adult Services	Care Act 2014: Support Brokerage	One-off Discretionary Fee	178.33	178.33	Non-Business (0%)	<b>187.10</b>	<b>187.10</b>	4.9%	Cost Recovery
Adult Services	Care Act 2014: Support Brokerage	Review Request	178.33	178.33	Non-Business (0%)	<b>187.10</b>	<b>187.10</b>	4.9%	Cost Recovery
Adult Services	Care Act 2014: Support Brokerage	Weekly Administration Fee	5.72	5.72	Non-Business (0%)	<b>6.00</b>	<b>6.00</b>	4.9%	Cost Recovery
Adult Services	Care Act 2014: Deferred Payment Agreements	Set Up. One-off Fee	565.56	565.56	Non-Business (0%)	<b>593.30</b>	<b>593.30</b>	4.9%	Cost Recovery
Adult Services	Care Act 2014: Deferred Payment Agreements	One-off Fee	285.56	285.56	Non-Business (0%)	<b>299.60</b>	<b>299.60</b>	4.9%	Cost Recovery
Adult Services	Care Act 2014: Deferred Payment Agreements	Weekly Administration Fee	8.17	8.17	Non-Business (0%)	<b>8.60</b>	<b>8.60</b>	5.3%	Cost Recovery
Adult Services	Transport to Day Services (2)	Return Trip Per Day	6.11	6.11	Non-Business (0%)	<b>6.40</b>	<b>6.40</b>	4.7%	Subsidised

1) Meeting Space Letting: the full charge only applies when the use of the room is unrelated to Adult Services. If use is mixed including Adults' services, then the charge is set at 50%

2) This charge forms part of a social care customer's personal budget if using an in-house day service. This does not generate any income to the County Council

## APPENDIX 7

### Education and Skills Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Education & Skills	SLA With Schools - Governor Services: Training and Support for School Governing Bodies	Lump Sum Based on Total Pupil Numbers. Less than 150 pupils	1,091.00	1,091.00	Exempt (0%)	<b>1,145.00</b>	<b>1,145.00</b>	4.9%	Cost Recovery
Education & Skills	SLA With Schools - Governor Services: Training and Support for School Governing Bodies	Lump Sum Based on Total Pupil Number. 150 or more, but less than 500 pupils.	1,199.00	1,199.00	Exempt (0%)	<b>1,258.00</b>	<b>1,258.00</b>	4.9%	Cost Recovery
Education & Skills	SLA With Schools - Governor Services: Training and Support for School Governing Bodies	Lump Sum Based on Total Pupil Numbers. 500 or more; but less than 850 pupils.	1,421.00	1,421.00	Exempt (0%)	<b>1,491.00</b>	<b>1,491.00</b>	4.9%	Cost Recovery
Education & Skills	SLA With Schools - Governor Services: Training and Support for School Governing Bodies	Lump Sum Based on Total Pupil Numbers. 850 pupils or more.	1,530.00	1,530.00	Exempt (0%)	<b>1,605.00</b>	<b>1,605.00</b>	4.9%	Cost Recovery
Education & Skills	SLA With Schools - Outdoor Education: Charge to Academies, Further Education Colleges, etc.	Pupil	1.45	1.45	Exempt (0%)	<b>1.52</b>	<b>1.52</b>	4.8%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme - Secondary School Teacher	Weighted Pupil Numbers	38.78	38.78	Non-Business (0%)	<b>53.60</b>	<b>53.60</b>	38.2%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme -Primary School Teacher	Weighted Pupil Numbers	40.00	39.60	Non-Business (0%)	<b>42.00</b>	<b>42.00</b>	5.0%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme - Nursery, Planned Places - Teacher	Weighted Pupil Numbers	46.00	93.00	Non-Business (0%)	<b>48.25</b>	<b>48.25</b>	4.9%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme - Caretaker / Bursar	Flat Rate, Pro-rated for Hours	256.00	256.00	Non-Business (0%)	<b>261.22</b>	<b>261.22</b>	2.0%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme - Nursery Nurse	Flat Rate, Pro-rated for Hours	232.73	232.73	Non-Business (0%)	<b>237.54</b>	<b>237.54</b>	2.1%	Cost Recovery
Education & Skills	Schools Financial Services Sickness Maternity Scheme -Special School Teachers	Weighted Pupil Numbers	186.00	186.00	Non-Business (0%)	<b>195.00</b>	<b>195.00</b>	4.8%	Cost Recovery
Education & Skills	Home to School Transport - Primary School Children Living Within Walking Distance - <i>September 2022 Increase</i>	Year	266.00	266.00	Non-Business (0%)	<b>308.00</b>	<b>308.00</b>	15.8%	Cost Recovery
Education & Skills	Home to School Transport - Primary School Children Living Beyond Walking Distance - <i>September 2022 Increase</i>	Year	308.00	308.00	Non-Business (0%)	<b>350.00</b>	<b>350.00</b>	13.6%	Cost Recovery
Education & Skills	Home to School Transport - Secondary School Children Living Within Walking Distance - <i>September 2022 Increase</i>	Year	406.00	406.00	Non-Business (0%)	<b>448.00</b>	<b>448.00</b>	10.3%	Cost Recovery
Education & Skills	Home to School Transport - Secondary School Children Living Beyond Walking Distance - <i>September 2022 Increase</i>	Year	462.00	462.00	Non-Business (0%)	<b>504.00</b>	<b>504.00</b>	9.1%	Cost Recovery
Education & Skills	Home to School Transport - Post 16 Students (Concessionary and SEN) - <i>September 2022 Increase</i>	Year	658.00	658.00	Non-Business (0%)	<b>700.00</b>	<b>700.00</b>	6.4%	Cost Recovery
Education & Skills	SLA with Schools - Education Psychology and Behaviour	Full Day Course	550.00	550.00	Non-Business (0%)	<b>577.00</b>	<b>577.00</b>	4.9%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Education & Skills	SLA with Schools - Education Psychology and Behaviour	Half Day Course	275.00	275.00	Non-Business (0%)	<b>288.00</b>	<b>288.00</b>	4.7%	Cost Recovery
Education & Skills	SLA With Schools - Charges to Schools for Statutory Induction for Newly Qualified Teachers (NQTs)	Early Career Teacher FTE	309.00	309.00	Exempt (0%)	<b>309.00</b>	<b>309.00</b>	0.0%	Cost Recovery
Education & Skills	Charges to Schools for Services Provided in Converting to Academy Status	School	8,000.00	8,000.00	Exempt (0%)	<b>8,000.00</b>	<b>8,000.00</b>	0.0%	Cost Recovery
Education & Skills	SLA With Schools -Subscriptions: Charge Per Pupil For Data Analyses to Support School Improvement Planning NCER	Lump Sum According to School Size Plus Sum Per Pupil: Infant Mainstream School	£0.46 Per Pupil	£0.46 Per Pupil	Outside Scope (0%)	<b>£0.50 Per Pupil</b>	<b>£0.50 Per Pupil</b>	8.7% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Academies -Subscriptions: Charge Per Pupil For Data Analyses to Support School Improvement Planning NCER	Lump Sum According to School Size Plus Sum Per Pupil: Infant Academy School	£0.46 Per Pupil	£0.55 Per Pupil	Outside Scope (0%)	<b>£0.50 Per Pupil</b>	<b>£0.60p Per Pupil</b>	8.7% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Schools -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According to School Size Plus Sum Per Pupil: Infant Mainstream School	£40 School Rate + £0.37 Per Pupil	£40 School Rate + £0.37 Per Pupil	Outside Scope (0%)	<b>£50 School Rate + £0.40 Per Pupil</b>	<b>£50 School Rate + £0.40 Per Pupil</b>	25% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Academies -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According to School Size Plus Sum Per Pupil: Infant Academy School	£40 School Rate + £0.37 Per Pupil	£48 School Rate + £0.44 Per Pupil	Standard Rated (20%)	<b>£50 School Rate + £0.40 Per Pupil</b>	<b>£60 School Rate + £0.48 Per Pupil</b>	25% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Schools -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According to School Size Plus Sum Per Pupil: Primary School	£52 School Rate + £0.37 Per Pupil	£52 School Rate + £0.37 Per Pupil	Outside Scope (0%)	<b>£65 School Rate + £0.40 Per Pupil</b>	<b>£65 School Rate + £0.40 Per Pupil</b>	25% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Academies -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According to School Size Plus Sum Per Pupil: Primary Academy School	£52 School Rate + £0.37 Per Pupil	£62 School Rate + £0.44 Per Pupil	Standard Rated (20%)	<b>£65 School Rate + £0.40 Per Pupil</b>	<b>£78 School Rate + £0.48 Per Pupil</b>	25% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Academies -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT Academy Administration	Lump Sum According To School Size Plus Sum Per Pupil	Various	Various	Outside Scope (0%)	<b>Various</b>	<b>Various</b>	4.9%	Cost Recovery
Education & Skills	SLA With Schools -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According To School Size Plus Sum Per Pupil: Secondary School	£460 School Rate + £0.37 Per Pupil	£460 School Rate + £0.37 Per Pupil	Outside Scope (0%)	<b>£470 School Rate + £0.40 Per Pupil</b>	<b>£470 School Rate + £0.40 Per Pupil</b>	2.2% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	SLA With Academies -Subscriptions For Pupil Data Analyses To Support School Improvement Planning FFT	Lump Sum According To School Size Plus Sum Per Pupil: Secondary Academy School	£460 School Rate + £0.37 Per Pupil	£552 School Rate + £0.44 Per Pupil	Standard Rated (20%)	<b>£470 School Rate + £0.40 Per Pupil</b>	<b>£564 School Rate + £0.48 Per Pupil</b>	2.2% School Rate and 8.1% on Per Pupil Rate	Cost Recovery
Education & Skills	Range of Ad-hoc Services Within Education and Skills	Various	Various	Various	Outside Scope (0%)	<b>Various</b>	<b>Various</b>	4.9%	Cost Recovery
Education & Skills	Early Years Training - Webinar (1-2 Hours)	Training Attendee	15.00	15.00	Exempt (0%)	<b>16.00</b>	<b>16.00</b>	6.7%	Cost Recovery
Education & Skills	Early Years Training - Webinar or Face to Face Half Day	Training Attendee	25.00	25.00	Exempt (0%)	<b>26.00</b>	<b>26.00</b>	4.0%	Cost Recovery
Education & Skills	Early Years Training - Webinar or Face to Face Full Day	Training Attendee	50.00	50.00	Exempt (0%)	<b>52.00</b>	<b>52.00</b>	4.0%	Cost Recovery
Education & Skills	Early Years Training - Online Course - Log In	Training Attendee	10.00	10.00	Exempt (0%)	<b>10.00</b>	<b>10.00</b>	0.0%	Cost Recovery
Education & Skills	Early Years Training - Conference Face to Face	Training Attendee	75.00	75.00	Exempt (0%)	<b>79.00</b>	<b>79.00</b>	5.3%	Cost Recovery
Education & Skills	Early Years Training - Paediatric First Aid - Full 12 Hour Course	Training Attendee	60.00	60.00	Exempt (0%)	<b>80.00</b>	<b>80.00</b>	33.3%	Cost Recovery

## APPENDIX 7

### Legal Services Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Legal Services	Fee to Copy a Common Land or Town or Village Green Register Entry	Copy	23.81	23.81	Non-Business (0%)	<b>24.98</b>	<b>24.98</b>	4.9%	Cost Recovery
Legal Services	Fee for the Supply of a Definitive Map/Statement Extract	Copy	11.38	11.38	Non-Business (0%)	<b>11.94</b>	<b>11.94</b>	4.9%	Cost Recovery
Legal Services	Fee for Copy Orders/Agreements	Copy	6.22	6.22	Non-Business (0%)	<b>6.52</b>	<b>6.52</b>	4.8%	Cost Recovery
Legal Services	Fee for Other Copying – In Accordance With the Record Office's Current Scale of Charges	Copy	1.04	1.04	Non-Business (0%)	<b>1.09</b>	<b>1.09</b>	4.8%	Cost Recovery
Legal Services	Fee to Process a Highways or CROW Act Landowner Deposit	Deposit	406.90	406.90	Non-Business (0%)	<b>426.84</b>	<b>426.84</b>	4.9%	Cost Recovery
Legal Services	Fee to Process a Corrective Application Made Under the Commons Act 2006	Course	856.17	856.17	Non-Business (0%)	<b>898.12</b>	<b>898.12</b>	4.9%	Cost Recovery
Legal Services	Legal Agreements Linked to S106 Contributions	Hour	198.77	198.77	Non-Business (0%)	<b>208.51</b>	<b>208.51</b>	4.9%	Cost Recovery
Legal Services	Highway Agreement Works	Hour	198.77	198.77	Non-Business (0%)	<b>208.51</b>	<b>208.51</b>	4.9%	Cost Recovery

### Trading Standards Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Trading Standards	Weights and Measures Act 1985 - Inspector of Weights & Measures	Hour	74.80	89.76	Standard Rated (20%)	<b>78.33</b>	<b>94.00</b>	4.7%	Cost Recovery
Trading Standards	Weights and Measures Act 1985 - Support Officer	Hour	48.00	57.60	Standard Rated (20%)	<b>50.00</b>	<b>60.00</b>	4.2%	Cost Recovery
Trading Standards	Hourly charge For Demand Led Discretionary Business Support Services	Hour	74.80	89.76	Standard Rated (20%)	<b>78.33</b>	<b>94.00</b>	4.7%	Cost Recovery
Trading Standards	Variation of a Licence (Other Than Name or Address)	Hour	74.80	89.76	Standard Rated (20%)	<b>78.33</b>	<b>94.00</b>	4.7%	Cost Recovery

## APPENDIX 7

### Property Services Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Property Services	Inspect & Assess - Level 1 Tree Inspection (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>35.00</b>	<b>35.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>173.00</b>	<b>173.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>91.00</b>	<b>91.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Level 1 Tree Inspection (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>59.00</b>	<b>59.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>230.00</b>	<b>230.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>118.00</b>	<b>118.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Level 1 Tree Inspection (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>94.00</b>	<b>94.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>288.00</b>	<b>288.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>136.00</b>	<b>136.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Buildings Review & Development Plan (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>513.00</b>	<b>513.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Buildings Review & Development Plan (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>663.00</b>	<b>663.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Buildings Review & Development Plan (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>1,000.00</b>	<b>1,000.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Funding Bid Application Support (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>91.00</b>	<b>91.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Swimming Pool Management (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>346.00</b>	<b>346.00</b>	4.9%	Cost Recovery
Property Services	Train & Develop - Leaver Transition Management (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>432.00</b>	<b>432.00</b>	4.9%	Cost Recovery
Property Services	Train & Develop - Recruitment Support (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>576.00</b>	<b>576.00</b>	4.9%	Cost Recovery
Property Services	Train & Develop - New Starter Transition Management (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>720.00</b>	<b>720.00</b>	4.9%	Cost Recovery



## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>288.00</b>	<b>288.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>346.00</b>	<b>346.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>403.00</b>	<b>403.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Small) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>235.00</b>	<b>235.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Medium) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>282.00</b>	<b>282.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Large) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>328.00</b>	<b>328.00</b>	4.9%	Cost Recovery
Property Services	Support & Advice - Core SLA subscription (S/M/L) Nursery, Primary, Secondary & Special Schools	Service Level Agreement	N/A	N/A	Non-Business (0%)	<b>804.00</b>	<b>804.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Level 1 Tree Inspection (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>35.00</b>	<b>42.00</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>173.00</b>	<b>207.60</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>91.00</b>	<b>109.20</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Level 1 Tree Inspection (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>59.00</b>	<b>70.80</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>230.00</b>	<b>276.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>118.00</b>	<b>141.60</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Level 1 Tree Inspection (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>94.00</b>	<b>112.80</b>	4.9%	Cost Recovery
Property Services	Inspect & Assess - Operation Playground Inspection x 3 (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>288.00</b>	<b>345.60</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Grounds Review & Development Plan (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>136.00</b>	<b>163.20</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Buildings Review & Development Plan (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>513.00</b>	<b>615.60</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Buildings Review & Development Plan (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>663.00</b>	<b>795.60</b>	4.9%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Property Services	Plan & Improve - Buildings Review & Development Plan (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>1,000.00</b>	<b>1,200.00</b>	4.9%	Cost Recovery
Property Services	Plan & Improve - Funding Bid Application Support (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>91.00</b>	<b>109.20</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Swimming Pool Management (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>346.00</b>	<b>415.20</b>	4.9%	Cost Recovery
Property Services	Train & Develop - Leaver Transition Management (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>432.00</b>	<b>518.40</b>	4.9%	Cost Recovery
Property Services	Train & Develop - Recruitment Support (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>576.00</b>	<b>691.20</b>	4.9%	Cost Recovery
Property Services	Train & Develop - New Starter Transition Management (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>720.00</b>	<b>864.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>288.00</b>	<b>345.60</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>346.00</b>	<b>415.20</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Cleaning (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>403.00</b>	<b>483.60</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Small) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>235.00</b>	<b>282.00</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Medium) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>282.00</b>	<b>338.40</b>	4.9%	Cost Recovery
Property Services	Maintain & Manage - Contractor Liaison - Grounds Maintenance (Large) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>328.00</b>	<b>393.60</b>	4.9%	Cost Recovery
Property Services	Support & Advice - Core SLA subscription (S/M/L) Primary Academy & Secondary Academy	Service Level Agreement	N/A	N/A	Standard Rated (20%)	<b>804.00</b>	<b>964.80</b>	4.9%	Cost Recovery

## APPENDIX 7

### Planning Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Planning Services	Implementation S38 & S278 Highway Agreements	Agreement	Various	Various	Non-Business (0%)	Various	Various	0.0%	Cost Recovery
Planning Services	Local Land Charge Fees	Search	22.00	26.40	Standard Rated (20%)	<b>22.00</b>	<b>26.40</b>	0.0%	Cost Recovery
Planning Services	Local Land Charge Search Follow-up	Request	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Highway Boundaries Information	Request	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	S106 Agreement Enquiries	Hour	50.00	60.00	Standard Rated (20%)	<b>50.00</b>	<b>60.00</b>	0.0%	Cost Recovery
Planning Services	Access to Traffic Modelling	Request	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Policy Copies of Highway Scheme Plans	Plan	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Highways and Development Pre-application Advice Fees	Written Response or Meeting/Site Visit & Written Response	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Monitoring of S106 Contributions	Per Trigger	200.00	200.00	Outside Scope (0%)	<b>200.00</b>	<b>200.00</b>	0.0%	Cost Recovery
Planning Services	Highway Boundaries – Bespoke Enquiries	Hour	50.00	60.00	Standard Rated (20%)	<b>50.00</b>	<b>60.00</b>	0.0%	Cost Recovery
Planning Services	County Planning Pre-application Advice Fees	Meeting or Site Visit and Written Response, or Written Response Only	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Historic Environment Record - Searches	Householder Search	95.00	114.00	Standard Rated (20%)	<b>95.00</b>	<b>114.00</b>	0.0%	Cost Recovery
Planning Services	Historic Environment Record - Searches	Standard Search	158.00	189.60	Standard Rated (20%)	<b>158.00</b>	<b>189.60</b>	0.0%	Cost Recovery
Planning Services	Historic Environment Record - Searches	Priority Search	252.00	302.40	Standard Rated (20%)	<b>252.00</b>	<b>302.40</b>	0.0%	Cost Recovery
Planning Services	Historic Environment Record - Searches	Statutory Undertaker Standard Search	164.00	196.80	Standard Rated (20%)	<b>164.00</b>	<b>196.80</b>	0.0%	Cost Recovery
Planning Services	Historic Environment Record - Searches	Statutory Undertaker Priority Search	338.00	405.60	Standard Rated (20%)	<b>338.00</b>	<b>405.60</b>	0.0%	Cost Recovery
Planning Services	Advice and Support to Statutory Undertakers	Hours	87.00	104.40	Standard Rated (20%)	<b>87.00</b>	<b>104.40</b>	0.0%	Cost Recovery
Planning Services	Pre-application Advice Fees	Written Response or Meeting/Site Visit & Written Response	Various	Various	Standard Rated (20%)	Various	Various	0.0%	Cost Recovery
Planning Services	Contribution by District and Borough Councils to Maintenance of the Historic Environment Record	Annual Fee	3,000.00	3,000.00	Non-Business (0%)	<b>3,000.00</b>	<b>3,000.00</b>	0.0%	Cost Recovery

## APPENDIX 7

### Rights of Way and Countryside Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Countryside Facilities	Rental of Land and Fishing Rights	Agreement	Various	Various	Exempt (0%)	<b>Various</b>	<b>Various</b>	4.9%	Cost Recovery
Countryside Services	Family Bushcraft	Per Family	64.20	64.20	Exempt (0%)	<b>67.30</b>	<b>67.30</b>	4.8%	Cost Recovery
Countryside Services	All Guided Walks/ Night Hike/ Food For Free With/ Without Hot Drink	Per Person	6.60	6.60	Exempt (0%)	<b>6.90</b>	<b>6.90</b>	4.5%	Cost Recovery
Countryside Services	Craft Events e.g. Christmas Wreaths (Includes Materials/Drinks)	Per Person	21.50	21.50	Exempt (0%)	<b>22.60</b>	<b>22.60</b>	5.1%	Cost Recovery
Countryside Services	Hire of Buchan Country Park Countryside Centre with Refreshments Hourly Charge (All Potential Bookings Must Be Checked & Agreed With the Duty Ranger)	Per Hour (Minimum 2-Hour Charge)	21.50	21.50	Exempt (0%)	<b>22.60</b>	<b>22.60</b>	5.1%	Cost Recovery
Countryside Services	Schools and Hire of Forest School Area (Per Child)	Per Child	2.20	2.20	Exempt (0%)	<b>2.30</b>	<b>2.30</b>	4.5%	Cost Recovery
Rights of Way	Licence Fee For Access Across Or On to COUNCIL Land	Application	Various	Various	Non-Business (0%)	<b>Various</b>	<b>Various</b>	4.9%	Cost Recovery
Rights of Way	Unopposed Public Path Orders Administrative Fees	Order	2,325.00	2,325.00	Non-Business (0%)	<b>2,438.90</b>	<b>2,438.90</b>	4.9%	Cost Recovery
Rights of Way	Opposed Public Path Orders Administrative Fees - Legal and Case Officer Support to Public Inquiry (In addition to the fee stated as "Unopposed Public Path Order").	Order	1,315.00	1,315.00	Non-Business (0%)	<b>1,379.40</b>	<b>1,379.40</b>	4.9%	Cost Recovery
Rights of Way	Opposed Public Path Orders Administrative Fees - Where Objections Withdrawn Following Officer Correspondence, So Order Can Be Confirmed As Unopposed (In addition to the fee stated as "Unopposed Public Path Order").	Order	405.00	405.00	Non-Business (0%)	<b>424.80</b>	<b>424.80</b>	4.9%	Cost Recovery
Rights of Way	Un/Opposed Public Path Orders Administrative Fees - Additional Order(s) - In addition to the fee stated as "Unopposed Public Path Order" & "Opposed Public Path Order" fee as applicable)	Order	405.00	405.00	Non-Business (0%)	<b>424.80</b>	<b>424.80</b>	4.9%	Cost Recovery
Rights of Way	Un/Opposed Public Path Orders Administrative Fees - Additional Site Inspections By Case Officer Prior To Determining Application (In addition to the fee stated as "Unopposed Public Path Order" and "Opposed Public Path Order" fee as applicable).	Site Visit Plus Associated Costs	205.00	205.00	Non-Business (0%)	<b>215.00</b>	<b>215.00</b>	4.9%	Cost Recovery
Rights of Way	Public Path Orders Administrative Fees - Temporary Traffic Regulation Order (Path Closure) (21 days emergency/ unplanned orders)	Path Order	556.00	556.00	Non-Business (0%)	<b>583.20</b>	<b>583.20</b>	4.9%	Cost Recovery
Rights of Way	Public Path Orders Administrative Fees - Temporary Traffic Regulation Order (Path Closure) (5 days planned works orders)	Path Order	556.00	556.00	Non-Business (0%)	<b>583.20</b>	<b>583.20</b>	4.9%	Cost Recovery
Rights of Way	Charge For Advice On PPO Legislation & Procedures To Potential Applicants & Order Making Authorities	Per Hour	28.30	28.30	Exempt (0%)	<b>29.70</b>	<b>29.70</b>	4.9%	Cost Recovery

## APPENDIX 7

### Waste Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Waste Recycling & Disposal	Co-mingled Recyclate	Tonne	107.50	129.00	Standard Rated (20%)	<b>112.50</b>	<b>135.00</b>	4.7%	Cost Recovery
Waste Recycling & Disposal	Green Waste	Tonne	62.50	75.00	Standard Rated (20%)	<b>65.83</b>	<b>79.00</b>	5.3%	Cost Recovery
Waste Recycling & Disposal	Waste Electrical & Electronic Equipment Recycling (WEEE) - Category A	Tonne	146.67	176.00	Standard Rated (20%)	<b>154.17</b>	<b>185.00</b>	5.1%	Cost Recovery
Waste Recycling & Disposal	Waste Electrical & Electronic Equipment Recycling (WEEE) - Category B	Tonne	411.67	494.00	Standard Rated (20%)	<b>431.67</b>	<b>518.00</b>	4.9%	Cost Recovery
Waste Recycling & Disposal	Waste Electrical & Electronic Equipment Recycling (WEEE) - Category C	Tonne	411.67	494.00	Standard Rated (20%)	<b>431.67</b>	<b>518.00</b>	4.9%	Cost Recovery
Waste Recycling & Disposal	Waste Electrical & Electronic Equipment Recycling (WEEE) - Category D	Tonne	411.67	494.00	Standard Rated (20%)	<b>431.67</b>	<b>518.00</b>	4.9%	Cost Recovery
Waste Recycling & Disposal	Waste Electrical & Electronic Equipment Recycling (WEEE) - Category E	Tonne	146.67	176.00	Standard Rated (20%)	<b>154.17</b>	<b>185.00</b>	5.1%	Cost Recovery
Waste Recycling & Disposal	Single Stream Recyclate	Tonne	12.58	15.10	Standard Rated (20%)	<b>13.33</b>	<b>16.00</b>	6.0%	Cost Recovery
Waste Recycling & Disposal	Trade Waste	Tonne	150.00	180.00	Standard Rated (20%)	<b>157.50</b>	<b>189.00</b>	5.0%	Cost Recovery
Waste Recycling & Disposal	Trade Waste - Mattress Disposal	Mattress	12.50	15.00	Standard Rated (20%)	<b>13.12</b>	<b>15.75</b>	5.0%	Cost Recovery
Waste Recycling & Disposal	Motor Vehicle Tyre	Tyre	4.17	5.00	Standard Rated (20%)	<b>4.38</b>	<b>5.25</b>	5.0%	Cost Recovery

### Energy Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Energy Services	Schools Display Energy Certificates - SLA	Per Certificate	56.00	56.00	Non-Business (0%)	<b>59.00</b>	<b>59.00</b>	5.4%	Cost Recovery
Energy Services	Schools Display Energy Certificates - SLA Academy	Per Certificate	56.00	67.20	Standard Rated (20%)	<b>59.00</b>	<b>70.80</b>	5.4%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 1	1-5 Meters	342.00	342.00	Non-Business (0%)	<b>359.00</b>	<b>359.00</b>	5.0%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 1. Academy	1-5 Meters	342.00	410.40	Standard Rated (20%)	<b>359.00</b>	<b>430.80</b>	5.0%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 2	6-9 Meters	399.00	399.00	Non-Business (0%)	<b>419.00</b>	<b>419.00</b>	5.0%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 2. Academy	6-9 Meters	399.00	478.80	Standard Rated (20%)	<b>419.00</b>	<b>502.80</b>	5.0%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 3	10+ Meters	496.00	496.00	Non-Business (0%)	<b>520.00</b>	<b>520.00</b>	4.8%	Cost Recovery
Energy Services	Schools Energy Management Service - SLA. Band 3. Academy	10+ Meters	496.00	595.20	Standard Rated (20%)	<b>520.00</b>	<b>624.00</b>	4.8%	Cost Recovery

## APPENDIX 7

### Finance Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Schools Financial Services	Schools Financial Services SLA - Nursery, Primary, Secondary & Special Schools	Per School	£1,000 per school plus £0.50 per pupil	£1,000 per school plus £0.50 per pupil	Non-Business (0%)	<b>£1,049 per school plus £0.52 per pupil</b>	<b>£1,049 per school plus £0.52 per pupil</b>	4.9%	Cost Recovery
Schools Financial Services	Year-end Financial Closedown	Fixed (4 Hours)	£36.50 Per Hour. Minimum of 4 Hours = £146.00	£36.50 Per Hour. Minimum of 4 Hours = £146.00	Non-Business (0%)	<b>£38.00 Per Hour. Minimum of 4 Hours = £152.00</b>	<b>£38.00 Per Hour. Minimum of 4 Hours = £152.00</b>	4.1%	Cost Recovery
Schools Financial Services	Pre-booked Visits to Schools	Hour	£36.50 per hour (minimum 2.5 hours) plus a flat rate travel charge of £40.50. = £131.75	£36.50 per hour (minimum 2.5 hours) plus a flat rate travel charge of £40.50. = £131.75	Non-Business (0%)	<b>£38.00 per hour (minimum 2.5 hours) plus a flat rate travel charge of £42.50 = £137.50</b>	<b>£38.00 per hour (minimum 2.5 hours) plus a flat rate travel charge of £42.50 = £137.50</b>	4.4%	Cost Recovery
Schools Financial Services	Pre-booked Dial-ups to Schools	Hour	36.50	36.50	Non-Business (0%)	<b>38.00</b>	<b>38.00</b>	4.1%	Cost Recovery
Schools Financial Services	Training Events/ Workshops - Half Day	Person	50.00	50.00	Non-Business (0%)	<b>50.00</b>	<b>50.00</b>	0.0%	Cost Recovery
Schools Financial Services	Training Events/ Workshops - Full Day	Person	80.00	80.00	Non-Business (0%)	<b>80.00</b>	<b>80.00</b>	0.0%	Cost Recovery

### Gypsy and Travellers Sites Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Gypsy and Travellers Sites	Gypsy Roma Traveller Site Plot Rental – Fairplace Hill (4 X Double Pitch Plot Rental)	Week	105.50	105.50	Exempt (0%)	<b>110.70</b>	<b>110.70</b>	4.9%	Subsidised
Gypsy and Travellers Sites	Gypsy Roma Traveller Site Plot Rental – Fairplace Hill (5 X Single Pitch Plot Rental)	Week	84.00	84.00	Exempt (0%)	<b>88.10</b>	<b>88.10</b>	4.9%	Subsidised
Gypsy and Travellers Sites	Gypsy Roma Traveller Site Plot Rental – Fairplace Hill (1 X Single Pitch Plot Rental)	Week	100.69	100.69	Exempt (0%)	<b>105.60</b>	<b>105.60</b>	4.9%	Subsidised
Gypsy and Travellers Sites	Gypsy Roma Traveller Site Plot Rental – Wither Park (16 X Plot Rental)	Week	N/A	N/A	Exempt (0%)	<b>68.20</b>	<b>68.20</b>	NEW	Subsidised
Gypsy and Travellers Sites	Plot Rental - All Other Sites	Week	57.00	57.00	Exempt (0%)	<b>59.80</b>	<b>59.80</b>	4.9%	Subsidised
Gypsy and Travellers Sites	West Sussex Transit Site Plot Rental (9 plots)	Week	77.00	77.00	Non-Business (0%)	<b>80.80</b>	<b>80.80</b>	4.9%	Subsidised

## APPENDIX 7

### Fire Service Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Fire and Rescue Service - Special Services	Major Appliance/ Large Vehicle & Crew	Hour	350.00	420.00	Standard Rated (20%)	<b>360.00</b>	<b>432.00</b>	2.9%	Cost Recovery
Fire and Rescue Service - Special Services	Major Appliance/ Small Vehicle & Crew	Hour	300.00	360.00	Standard Rated (20%)	<b>310.00</b>	<b>372.00</b>	3.3%	Cost Recovery
Fire and Rescue Service - Special Services	Pumping Appliance	Hour	235.00	282.00	Standard Rated (20%)	<b>400.00</b>	<b>480.00</b>	70.2%	Cost Recovery
Fire and Rescue Service - Special Services	Small Vehicle (e.g. 4wd)	Hour	230.00	276.00	Standard Rated (20%)	<b>300.00</b>	<b>360.00</b>	30.4%	Cost Recovery
Fire and Rescue Service - Special Services	Testing of Dry Riser	Test	305.00	366.00	Standard Rated (20%)	<b>305.00</b>	<b>366.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Special Services	Additional Dry Riser	Test	225.00	270.00	Standard Rated (20%)	<b>225.00</b>	<b>270.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Special Services	Copy of Fire Report	Report	95.00	114.00	Standard Rated (20%)	<b>99.00</b>	<b>118.80</b>	4.2%	Cost Recovery
Fire and Rescue Service - Special Services	Fire Investigation Interview	Hour	140.00	168.00	Standard Rated (20%)	<b>145.00</b>	<b>174.00</b>	3.6%	Cost Recovery
Fire and Rescue Service - Special Services	Fire Investigation Report (Standard)	Report	440.00	528.00	Standard Rated (20%)	<b>455.00</b>	<b>546.00</b>	3.4%	Cost Recovery
Fire and Rescue Service - Special Services	Fire Report Photocopies of Maps & Plans	Copy	25.00	30.00	Standard Rated (20%)	<b>26.00</b>	<b>31.20</b>	4.0%	Cost Recovery
Fire and Rescue Service - Special Services	Labour (Dependent on Role) - First Hour or Part Thereof	Hour	70.00	84.00	Standard Rated (20%)	<b>75.00</b>	<b>90.00</b>	7.1%	Cost Recovery
Fire and Rescue Service - Special Services	Labour (Dependent on Role) - Each Subsequent Half Hour	Half Hour	37.00	44.40	Standard Rated (20%)	<b>45.00</b>	<b>54.00</b>	21.6%	Cost Recovery
Fire and Rescue Service - Special Services	Event Charges	Hour	355.00	426.00	Standard Rated (20%)	<b>360.00</b>	<b>432.00</b>	1.4%	Cost Recovery
Fire and Rescue Service - Commercial Training	Open Course Face to Face Training - Fire Safety - Various	Per Head	125.00	125.00	Exempt (0%)	<b>125.00</b>	<b>125.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	On-Site Face to Face Training - Fire Safety Awareness	Course - Max 20 People.	350.00	350.00	Exempt (0%)	<b>350.00</b>	<b>350.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	On-Site Face to Face Training - Fire Extinguisher	Course - Max 15 People.	440.00	440.00	Exempt (0%)	<b>440.00</b>	<b>440.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	On-Site Face to Face Training - Fire Warden	Course - Max 15 People.	585.00	585.00	Exempt (0%)	<b>585.00</b>	<b>585.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	On-Site Face to Face Training - Manual Handling	Course - Max 15 People.	585.00	585.00	Exempt (0%)	<b>585.00</b>	<b>585.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	On-Site Face to Face Training - Management of Fire Risk	Course - Max 15 People.	585.00	585.00	Exempt (0%)	<b>585.00</b>	<b>585.00</b>	0.0%	Cost Recovery
Fire and Rescue Service - Commercial Training	Fire Extinguisher Maintenance	Extinguisher	Various	Various	Exempt (0%)	<b>Various</b>	<b>Various</b>	0.0%	Cost Recovery

## APPENDIX 7

### Records Office Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Record Office	Publication Fees For Film & TV	Photograph	54.17	65.00	Standard Rated (20%)	<b>56.67</b>	<b>68.00</b>	4.6%	Cost Recovery
Record Office	Room Hire of Work Room (Up To 12 People)	Full day	85.00	85.00	Exempt (0%)	<b>90.00</b>	<b>90.00</b>	5.9%	Cost Recovery
Record Office	Publication Fees For Garland Photos UK Rights	Image	23.33	28.00	Standard Rated (20%)	<b>25.00</b>	<b>30.00</b>	7.2%	Cost Recovery
Record Office	Publication Fees For Garland Photos World Rights	Image	46.67	56.00	Standard Rated (20%)	<b>50.00</b>	<b>60.00</b>	7.1%	Cost Recovery
Record Office	Publication Fee In Books With Print Run Of 1-1000	Photograph	5.83	7.00	Standard Rated (20%)	<b>6.25</b>	<b>7.50</b>	7.2%	Cost Recovery
Record Office	Publication Fee In Books With Print Run Of 1,001-3,000	Photograph	11.67	14.00	Standard Rated (20%)	<b>12.50</b>	<b>15.00</b>	7.1%	Cost Recovery
Record Office	Publication Fee In Books With Print Run Of 3,001-5,000	Photograph	17.50	21.00	Standard Rated (20%)	<b>18.75</b>	<b>22.50</b>	7.1%	Cost Recovery
Record Office	Publication Fee In Books With Print Run Of 5,001 & Over	Photograph	23.33	28.00	Standard Rated (20%)	<b>25.00</b>	<b>30.00</b>	7.2%	Cost Recovery
Record Office	Publication Fees For National Media/ Periodicals	Photograph	23.33	28.00	Standard Rated (20%)	<b>25.00</b>	<b>30.00</b>	7.2%	Cost Recovery
Record Office	Record Office 'Surgeries'	Hour	34.17	41.00	Standard Rated (20%)	<b>35.00</b>	<b>42.00</b>	2.4%	Cost Recovery
Record Office	Publication Fees For Other Commercial Publications	Photograph	31.67	38.00	Standard Rated (20%)	<b>33.33</b>	<b>40.00</b>	5.2%	Cost Recovery
Record Office	Publication Fees For Local Media	Photograph	5.83	7.00	Standard Rated (20%)	<b>6.25</b>	<b>7.50</b>	7.2%	Cost Recovery
Record Office	Publication Fees For Eric Gill Collection	Item	9.58	11.50	Standard Rated (20%)	<b>10.00</b>	<b>12.00</b>	4.4%	Cost Recovery
Record Office	Scanned Image & Print A3	Sheet	19.17	23.00	Standard Rated (20%)	<b>20.00</b>	<b>24.00</b>	4.3%	Cost Recovery
Record Office	Scanned Image & Print A3-A1	Sheet	38.33	46.00	Standard Rated (20%)	<b>40.00</b>	<b>48.00</b>	4.4%	Cost Recovery
Record Office	Scanned Image & Print A4	Sheet	9.58	11.50	Standard Rated (20%)	<b>10.00</b>	<b>12.00</b>	4.4%	Cost Recovery
Record Office	Supply of Scanned Image - A3-A0	Sheet	25.00	30.00	Standard Rated (20%)	<b>26.67</b>	<b>32.00</b>	6.7%	Cost Recovery
Record Office	Supply of Scanned Image - A4-A3	Sheet	12.50	15.00	Standard Rated (20%)	<b>13.33</b>	<b>16.00</b>	6.6%	Cost Recovery
Record Office	Supply of Scanned Image - Up To A4	Sheet	6.25	7.50	Standard Rated (20%)	<b>6.67</b>	<b>8.00</b>	6.7%	Cost Recovery
Record Office	Car Parking - Full Day	Day	6.25	7.50	Standard Rated (20%)	<b>6.67</b>	<b>8.00</b>	6.7%	Cost Recovery
Record Office	Car Parking - Half Day	Half Day	3.13	3.75	Standard Rated (20%)	<b>3.33</b>	<b>4.00</b>	6.4%	Cost Recovery
Record Office	Daytime Tours of Record Office	Tour	37.00	37.00	Exempt (0%)	<b>37.00</b>	<b>37.00</b>	0.0%	Cost Recovery



## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Record Office	Genealogical Research Fees	Tour	30.00	36.00	Standard Rated (20%)	<b>30.00</b>	<b>36.00</b>	0.0%	Cost Recovery
Record Office	Other Searches	Hour	30.00	36.00	Standard Rated (20%)	<b>30.00</b>	<b>36.00</b>	0.0%	Cost Recovery
Record Office	Orders By Post (Up To 3 Colour Copies at A4 Or 2 Colour Copies at A3)	Up To 3 Sheets	7.08	8.50	Standard Rated (20%)	<b>7.50</b>	<b>9.00</b>	5.9%	Cost Recovery
Record Office	Orders By Post (Up To 5 Copies)	Up To 5 Sheets	5.42	6.50	Standard Rated (20%)	<b>5.42</b>	<b>6.50</b>	0.0%	Cost Recovery
Record Office	Evening Tours of Record Office	Tour	68.00	68.00	Exempt (0%)	<b>68.00</b>	<b>68.00</b>	0.0%	Cost Recovery
Record Office	Out of Office Talks	Talk	56.67	68.00	Standard Rated (20%)	<b>56.67</b>	<b>68.00</b>	0.0%	Cost Recovery
Record Office	Online Talks	Talk	N/A	N/A	Exempt (0%)	<b>5.00</b>	<b>5.00</b>	NEW	Cost Recovery
Record Office	Short Research Fee	30 Minutes	15.00	18.00	Standard Rated (20%)	<b>15.00</b>	<b>18.00</b>	0.0%	Cost Recovery
Record Office	Evening Talks At The Record Office	Person	6.67	8.00	Standard Rated (20%)	<b>6.67</b>	<b>8.00</b>	0.0%	Cost Recovery
Record Office	Self-service Microform Copying	Sheet	0.38	0.45	Standard Rated (20%)	<b>0.42</b>	<b>0.50</b>	10.5%	Cost Recovery
Record Office	Self-service Printing From Computer	Sheet	0.38	0.45	Standard Rated (20%)	<b>0.42</b>	<b>0.50</b>	10.5%	Cost Recovery
Record Office	A3 and A4 Photocopies	Sheet	0.50	0.60	Standard Rated (20%)	<b>0.54</b>	<b>0.65</b>	8.0%	Cost Recovery
Record Office	Coffee Time Sessions	Person	7.50	7.50	Exempt (0%)	<b>7.50</b>	<b>7.50</b>	0.0%	Cost Recovery
Record Office	Photocopies - A3 Colour	Sheet	2.50	3.00	Standard Rated (20%)	<b>2.71</b>	<b>3.25</b>	8.4%	Cost Recovery
Record Office	Photocopies - A4 Colour	Sheet	1.25	1.50	Standard Rated (20%)	<b>1.46</b>	<b>1.75</b>	16.8%	Cost Recovery
Record Office	Digital Copy Of Tithe Map (One Format)	Document	N/A	N/A	Standard Rated (20%)	<b>16.67</b>	<b>20.00</b>	NEW	Cost Recovery
Record Office	Filming On-site	Day	N/A	N/A	Standard Rated (20%)	<b>208.33</b>	<b>250.00</b>	NEW	Cost Recovery
Record Office	Room Hire of Work Room (Up To 12 People)	Half Day	42.50	42.50	Exempt (0%)	<b>45.00</b>	<b>45.00</b>	5.9%	Cost Recovery
Record Office	Certified Copies of Documents	Document	12.50	15.00	Standard Rated (20%)	<b>13.33</b>	<b>16.00</b>	6.6%	Cost Recovery
Record Office	DIY Photography In Search Room	Day	10.00	12.00	Standard Rated (20%)	<b>10.00</b>	<b>12.00</b>	0.0%	Cost Recovery
Record Office	Baptism Certificate	Certificate	25.83	31.00	Standard Rated (20%)	<b>25.83</b>	<b>31.00</b>	0.0%	Cost Recovery

## APPENDIX 7

### Library Service Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Library Service	Audiobooks (Up To 8 Cassettes/CDs)	3 Weeks	1.45	1.45	Non-Business (0%)	<b>1.45</b>	<b>1.45</b>	0%	Cost Recovery
Library Service	Audiobooks (9+ Cassettes/CDs)	3 Weeks	2.90	2.90	Non-Business (0%)	<b>2.90</b>	<b>2.90</b>	0%	Cost Recovery
Library Service	Audiobooks (Playaway - Digital Audio)	3 Weeks	2.90	2.90	Non-Business (0%)	<b>2.90</b>	<b>2.90</b>	0%	Cost Recovery
Library Service	CDs - Other	1 Week	1.20	1.20	Non-Business (0%)	<b>1.20</b>	<b>1.20</b>	0%	Cost Recovery
Library Service	DVDs (General)	1 Week	2.00	2.00	Non-Business (0%)	<b>2.00</b>	<b>2.00</b>	0%	Cost Recovery
Library Service	Reservation Fees - Books Reserved Directly Online	Item	0.60	0.60	Non-Business (0%)	<b>0.60</b>	<b>0.60</b>	0%	Cost Recovery
Library Service	Reservation Fees - Books in West Sussex or Partnership Libraries	Item	1.00	1.00	Non-Business (0%)	<b>1.00</b>	<b>1.00</b>	0%	Cost Recovery
Library Service	Reservation Fees - Books From Elsewhere	Item	7.50	7.50	Non-Business (0%)	<b>7.50</b>	<b>7.50</b>	0%	Cost Recovery
Library Service	Reservation Fees - Books From British Library	Item	11.00	11.00	Non-Business (0%)	<b>11.00</b>	<b>11.00</b>	0%	Cost Recovery
Library Service	Overdue Charges (Administration Charge For Overdue Letter)	Letter	1.75	1.75	Non-Business (0%)	<b>1.75</b>	<b>1.75</b>	0%	Cost Recovery
Library Service	Overdue Charges (Adult Books)	Day	0.30	0.30	Non-Business (0%)	<b>0.30</b>	<b>0.30</b>	0%	Cost Recovery
Library Service	Overdue Charges (Audio Books)	Day	0.30	0.30	Non-Business (0%)	<b>0.30</b>	<b>0.30</b>	0%	Cost Recovery
Library Service	Overdue Charges (General DVDs)	Day	0.60	0.60	Non-Business (0%)	<b>0.60</b>	<b>0.60</b>	0%	Cost Recovery
Library Service	Overdue Charges (Music CDs)	Day	0.30	0.30	Non-Business (0%)	<b>0.30</b>	<b>0.30</b>	0%	Cost Recovery
Library Service	Membership Card Replacement	Card	1.75	1.75	Non-Business (0%)	<b>1.75</b>	<b>1.75</b>	0%	Cost Recovery
Library Service	Exhibition Booking Fee	Per week, When Items Are For Sale	13.50	13.50	Exempt (0%)	<b>13.50</b>	<b>13.50</b>	0%	Cost Recovery
Library Service	Fax: to UK	Per Page	1.67	2.00	Standard Rated (20%)	<b>1.67</b>	<b>2.00</b>	0%	Cost Recovery
Library Service	Fax: to Europe	Per Page	2.25	2.70	Standard Rated (20%)	<b>2.25</b>	<b>2.70</b>	0%	Cost Recovery
Library Service	Fax: to Rest of World	Per Page	2.83	3.40	Standard Rated (20%)	<b>2.83</b>	<b>3.40</b>	0%	Cost Recovery
Library Service	Fax: Receiving Fax	Per Page	1.13	1.35	Standard Rated (20%)	<b>1.13</b>	<b>1.36</b>	0%	Cost Recovery
Library Service	Photocopying - A4 Black and White	Copy	0.13	0.15	Standard Rated (20%)	<b>0.13</b>	<b>0.15</b>	0%	Cost Recovery
Library Service	Photocopying - A3 Black and White	Copy	0.17	0.20	Standard Rated (20%)	<b>0.17</b>	<b>0.20</b>	0%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Library Service	Photocopying - A4 Colour	Copy	0.42	0.50	Standard Rated (20%)	<b>0.42</b>	<b>0.50</b>	0%	Cost Recovery
Library Service	Photocopying - A3 Colour	Copy	0.83	1.00	Standard Rated (20%)	<b>0.83</b>	<b>1.00</b>	0%	Cost Recovery
Library Service	Printing: Charge For Internet Prints - A4 Black and White	Page	0.17	0.20	Standard Rated (20%)	<b>0.17</b>	<b>0.20</b>	0%	Cost Recovery
Library Service	Printing: Charge For Internet Prints - A4 Colour	Page	0.50	0.60	Standard Rated (20%)	<b>0.50</b>	<b>0.60</b>	0%	Cost Recovery
Library Service	Public Access Computers: Charge For Non-Members Using PCs	Hour	1.67	2.00	Standard Rated (20%)	<b>1.67</b>	<b>2.00</b>	0%	Cost Recovery
Library Service	Reading Groups - Subscription	Year	27.50	33.00	Standard Rated (20%)	<b>27.50</b>	<b>33.00</b>	0%	Cost Recovery
Library Service	Reference Research	Half-hour, After Initial Free 30 Minutes	15.00	18.00	Standard Rated (20%)	<b>15.00</b>	<b>18.00</b>	0%	Cost Recovery
Library Service	Lost & Damaged Book - Administration Fee (In Addition To Replacement Cost)	Item	1.75	1.75	Non-Business (0%)	<b>1.75</b>	<b>1.75</b>	0%	Cost Recovery
Library Service	Lettings - Community Use	1 Hour	10.00	10.00	Exempt (0%)	<b>10.00</b>	<b>10.00</b>	0%	Cost Recovery
Library Service	Lettings - SME Business	1 Hour	20.00	20.00	Exempt (0%)	<b>20.00</b>	<b>20.00</b>	0%	Cost Recovery
Library Service	Lettings - Commercial Use	1 Hour	40.00	40.00	Exempt (0%)	<b>40.00</b>	<b>40.00</b>	0%	Cost Recovery
Library Service	Lettings - Crawley Library Meeting Rooms - Community Use	1 Hour	12.00	12.00	Exempt (0%)	<b>12.00</b>	<b>12.00</b>	0%	Cost Recovery
Library Service	Lettings - Crawley Library Meeting Rooms - SME Business Use	1 Hour	24.00	24.00	Exempt (0%)	<b>24.00</b>	<b>24.00</b>	0%	Cost Recovery
Library Service	Lettings - Crawley Library Meeting Rooms - Commercial Use	1 Hour	48.00	48.00	Exempt (0%)	<b>48.00</b>	<b>48.00</b>	0%	Cost Recovery
Library Service	Lettings - Longley Exhibition Room - Community Use	1 Hour	22.00	22.00	Exempt (0%)	<b>22.00</b>	<b>22.00</b>	0%	Cost Recovery
Library Service	Lettings - Longley Exhibition Room - SME Business Use	1 Hour	44.00	44.00	Exempt (0%)	<b>44.00</b>	<b>44.00</b>	0%	Cost Recovery
Library Service	Lettings - Longley Exhibition Room - Commercial Use	1 Hour	88.00	88.00	Exempt (0%)	<b>88.00</b>	<b>88.00</b>	0%	Cost Recovery
Library Service	Lettings - Worthing Library Lecture Theatre - Community Use	1 Hour	22.00	22.00	Exempt (0%)	<b>22.00</b>	<b>22.00</b>	0%	Cost Recovery
Library Service	Lettings - Worthing Library Lecture Theatre - SME Business Use	1 Hour	44.00	44.00	Exempt (0%)	<b>44.00</b>	<b>44.00</b>	0%	Cost Recovery
Library Service	Lettings - Worthing Library Lecture Theatre - Commercial Use	1 Hour	88.00	88.00	Exempt (0%)	<b>88.00</b>	<b>88.00</b>	0%	Cost Recovery

## APPENDIX 7

### Registration Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Registration Service	Individually Organised Citizenship Ceremony - for one person at a Registration Office.	Ceremony	95.83	115.00	Standard Rated (20%)	<b>100.00</b>	<b>120.00</b>	4.3%	Cost Recovery
Registration Service	Individually Organised Citizenship Ceremony - for a family at a Registration Office.	Family Ceremony	125.00	150.00	Standard Rated (20%)	<b>130.83</b>	<b>157.00</b>	4.7%	Cost Recovery
Registration Service	Individually Organised Citizenship Ceremony - for one person at a Registration Office on a Saturday	Ceremony	108.33	130.00	Standard Rated (20%)	<b>113.33</b>	<b>136.00</b>	4.6%	Cost Recovery
Registration Service	Individually Organised Citizenship Ceremony - for a family at a Registration Office on a Saturday	Family Ceremony	133.33	160.00	Standard Rated (20%)	<b>140.00</b>	<b>168.00</b>	5.0%	Cost Recovery
Registration Service	Non-Statutory Ceremonies - Fee for Commemorative Certificate	Certificate	9.17	11.00	Standard Rated (20%)	<b>9.17</b>	<b>11.00</b>	0.0%	Cost Recovery
Registration Service	Additional Administration Fee For Notice Appointments Requested On Saturdays. Added to reflect increased cost of delivery of a Saturday service	Notice	10.42	12.50	Standard Rated (20%)	<b>10.83</b>	<b>13.00</b>	4.0%	Cost Recovery
Registration Service	Cat A Room Crawley - Small ceremonies on a Thursday morning	Ceremony	N/A	N/A	Non-Business (0%)	<b>172.00</b>	<b>172.00</b>	NEW	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat A Room (e.g. Balcony, Chichester Ceremony Room). To register a Marriage/ Civil Partnership - Monday - Thursday	Ceremony	217.00	217.00	Non-Business (0%)	<b>228.00</b>	<b>228.00</b>	5.1%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat A Room (e.g. Balcony, Chichester Ceremony Room). To register a Marriage/ Civil Partnership - Friday	Ceremony	280.00	280.00	Non-Business (0%)	<b>294.00</b>	<b>294.00</b>	5.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat A Room (e.g. Balcony, Chichester Ceremony Room). To register a Marriage/ Civil Partnership - Saturday / Sunday	Ceremony	310.00	310.00	Non-Business (0%)	<b>325.00</b>	<b>325.00</b>	4.8%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat A Room (e.g. Balcony, Chichester Ceremony Room). To register a Marriage/ Civil Partnership - Public Holiday	Ceremony	404.00	404.00	Non-Business (0%)	<b>424.00</b>	<b>424.00</b>	5.0%	Cost Recovery
Registration Service	Non Statutory Ceremonies - such as a Baby Naming or Renewal Of Vows in West Sussex rooms (Cat A) - Monday - Thursday	Ceremony	180.83	217.00	Standard Rated (20%)	<b>208.33</b>	<b>250.00</b>	15.2%	Cost Recovery
Registration Service	Non Statutory Ceremonies - such as a Baby Naming or Renewal Of Vows in West Sussex rooms (Cat A) - Friday	Ceremony	233.33	280.00	Standard Rated (20%)	<b>263.33</b>	<b>316.00</b>	12.9%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat A) - Saturday / Sunday	Ceremony	258.33	310.00	Standard Rated (20%)	<b>289.17</b>	<b>347.00</b>	11.9%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat A) - Public Holiday	Ceremony	336.67	404.00	Standard Rated (20%)	<b>371.67</b>	<b>446.00</b>	10.4%	Cost Recovery
Registration Service	Attendance of Registrars In A West Sussex Venue. Cat B Room (e.g. Parlour, Henshall). To register a Marriage/ Civil Partnership - Monday - Thursday	Ceremony	260.00	260.00	Non-Business (0%)	<b>273.00</b>	<b>273.00</b>	5.0%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Registration Service	Attendance of Registrars In A West Sussex Venue. Cat B Room (e.g. Parlour, Henshall). To register a Marriage/ Civil Partnership - Friday	Ceremony	317.00	317.00	Non-Business (0%)	<b>333.00</b>	<b>333.00</b>	5.0%	Cost Recovery
Registration Service	Attendance of Registrars In A West Sussex Venue. Cat B Room (e.g. Parlour, Henshall). To register a Marriage/ Civil Partnership - Saturday / Sunday	Ceremony	376.00	376.00	Non-Business (0%)	<b>394.00</b>	<b>394.00</b>	4.8%	Cost Recovery
Registration Service	Attendance of Registrars In A West Sussex Venue. Cat B Room (e.g. Parlour, Henshall). To register a Marriage/ Civil Partnership - Public Holiday	Ceremony	490.00	490.00	Non-Business (0%)	<b>514.00</b>	<b>514.00</b>	4.9%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat B) - Monday - Thursday	Ceremony	216.67	260.00	Standard Rated (20%)	<b>245.83</b>	<b>295.00</b>	13.5%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat B) - Friday	Ceremony	264.17	317.00	Standard Rated (20%)	<b>295.83</b>	<b>355.00</b>	12.0%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat B) - Saturday / Sunday	Ceremony	313.33	376.00	Standard Rated (20%)	<b>346.67</b>	<b>416.00</b>	10.6%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat B) - Public Holiday	Ceremony	408.33	490.00	Standard Rated (20%)	<b>446.67</b>	<b>536.00</b>	9.4%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat C Room (e.g. The Drawing Room). To register a Marriage/ Civil Partnership - Monday - Thursday	Ceremony	455.00	455.00	Non-Business (0%)	<b>455.00</b>	<b>455.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat C Room (e.g. The Drawing Room). To register a Marriage/ Civil Partnership - Friday	Ceremony	505.00	505.00	Non-Business (0%)	<b>505.00</b>	<b>505.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat C Room (e.g. The Drawing Room). To register a Marriage/ Civil Partnership - Saturday / Sunday	Ceremony	618.00	618.00	Non-Business (0%)	<b>618.00</b>	<b>618.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat C Room (e.g. The Drawing Room). To register a Marriage/ Civil Partnership - Public Holiday	Ceremony	682.00	682.00	Non-Business (0%)	<b>682.00</b>	<b>682.00</b>	0.0%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat C) - Monday - Thursday	Ceremony	379.17	455.00	Standard Rated (20%)	<b>397.50</b>	<b>477.00</b>	4.8%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat C) - Friday	Ceremony	420.83	505.00	Standard Rated (20%)	<b>439.17</b>	<b>527.00</b>	4.4%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat C) - Saturday / Sunday	Ceremony	515.00	618.00	Standard Rated (20%)	<b>533.33</b>	<b>640.00</b>	3.6%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat C) - Public Holiday	Ceremony	568.33	682.00	Standard Rated (20%)	<b>586.67</b>	<b>704.00</b>	3.2%	Cost Recovery
Registration Service	Attendance of Registrars In West Sussex Venue Cat C Room (e.g. The Drawing Room). Additional ceremony at venue already paying for one ceremony - i.e. Baby Naming	Additional Ceremony	115.00	115.00	Non-Business (0%)	<b>121.00</b>	<b>121.00</b>	5.2%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat D) - Monday - Thursday	Ceremony	645.83	775.00	Standard Rated (20%)	<b>664.17</b>	<b>797.00</b>	2.8%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat D) - Friday	Ceremony	688.33	826.00	Standard Rated (20%)	<b>706.67</b>	<b>848.00</b>	2.7%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat D) - Saturday / Sunday	Ceremony	753.33	904.00	Standard Rated (20%)	<b>771.67</b>	<b>926.00</b>	2.4%	Cost Recovery
Registration Service	Non Statutory Ceremonies - Baby Naming or Renewal Of Vows in West Sussex Rooms (Cat D) - Public Holiday	Ceremony	817.50	981.00	Standard Rated (20%)	<b>835.83</b>	<b>1,003.00</b>	2.2%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat D Room (e.g. The Richmond Room Room). To register a Marriage/ Civil Partnership - Monday - Thursday	Ceremony	775.00	775.00	Non-Business (0%)	<b>775.00</b>	<b>775.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat D Room (e.g. The Richmond Room Room). To register a Marriage/ Civil Partnership - Friday	Ceremony	826.00	826.00	Non-Business (0%)	<b>826.00</b>	<b>826.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat D Room (e.g. The Richmond Room Room). To register a Marriage/ Civil Partnership - Saturday / Sunday	Ceremony	904.00	904.00	Non-Business (0%)	<b>904.00</b>	<b>904.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars In A West Sussex Venue. Cat D Room (e.g. The Richmond Room Room). To register a Marriage/ Civil Partnership - Public Holiday	Ceremony	981.00	981.00	Non-Business (0%)	<b>981.00</b>	<b>981.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars at an outside venue to register a Marriage / Civil Partnership - Monday - Thursday	Ceremony	455.00	455.00	Non-Business (0%)	<b>455.00</b>	<b>455.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars at an outside venue to register a Marriage / Civil Partnership - Friday	Ceremony	505.00	505.00	Non-Business (0%)	<b>505.00</b>	<b>505.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars at an outside venue to register a Marriage / Civil Partnership - Saturday / Sunday	Ceremony	618.00	618.00	Non-Business (0%)	<b>618.00</b>	<b>618.00</b>	0.0%	Cost Recovery
Registration Service	Attendance Of Registrars at an outside venue to register a Marriage / Civil Partnership - Public Holiday	Ceremony	682.00	682.00	Non-Business (0%)	<b>682.00</b>	<b>682.00</b>	0.0%	Cost Recovery
Registration Service	Non-Statutory Ceremonies - Baby Naming or Renewal Of Vows at outside venues & non-licenced premises - Monday - Thursday	Ceremony	379.17	455.00	Standard Rated (20%)	<b>397.50</b>	<b>477.00</b>	4.8%	Cost Recovery
Registration Service	Non-Statutory Ceremonies - Baby Naming or Renewal Of Vows at outside venues & non-licenced premises - Friday	Ceremony	420.83	505.00	Standard Rated (20%)	<b>439.17</b>	<b>527.00</b>	4.4%	Cost Recovery
Registration Service	Non-Statutory Ceremonies - Baby Naming or Renewal Of Vows at outside venues & non-licenced premises - Saturday / Sunday	Ceremony	515.00	618.00	Standard Rated (20%)	<b>533.33</b>	<b>640.00</b>	3.6%	Cost Recovery
Registration Service	Venue Licensing Licence - valid for three years for a venue to hold Marriages & Civil Partnerships.	License	2018.00	2018.00	Non-Business (0%)	<b>2117.00</b>	<b>2,117.00</b>	4.9%	Cost Recovery
Registration Service	Licensing a Religious Building to hold Civil Partnerships Appeal against a refusal to grant a license.	Appeal	403.00	403.00	Non-Business (0%)	<b>423.00</b>	<b>423.00</b>	5.0%	Cost Recovery
Registration Service	Venue Licensing License - valid for three years for a venue to hold Marriages & Civil Partnerships. Fee for additional room	Additional Room	347.00	347.00	Non-Business (0%)	<b>364.00</b>	<b>364.00</b>	4.9%	Cost Recovery

## APPENDIX 7

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Registration Service	Attendance Of Registrars at Venue of choice to celebrate Marriage or Civil Partnership following statutory ceremony in the West Sussex Register Office - Monday - Thursday	Ceremony	366.67	440.00	Standard Rated (20%)	<b>384.17</b>	<b>461.00</b>	4.8%	Cost Recovery
Registration Service	Attendance Of Registrars at Venue of choice to celebrate Marriage or Civil Partnership following statutory ceremony in the West Sussex Register Office - Friday	Ceremony	406.67	488.00	Standard Rated (20%)	<b>426.67</b>	<b>512.00</b>	4.9%	Cost Recovery
Registration Service	Attendance Of Registrars at Venue of choice to celebrate Marriage or Civil Partnership following statutory ceremony in the West Sussex Register Office - Saturday / Sunday	Ceremony	501.67	602.00	Standard Rated (20%)	<b>525.83</b>	<b>631.00</b>	4.8%	Cost Recovery
Registration Service	Attendance Of Registrars at Venue of choice to celebrate Marriage or Civil Partnership following statutory ceremony in the West Sussex Register Office - Public Holiday	Ceremony	555.00	666.00	Standard Rated (20%)	<b>581.67</b>	<b>698.00</b>	4.8%	Cost Recovery
Registration Service	Registrar to register a Civil Partnership at a religious building - Monday - Thursday	Ceremony	172.00	172.00	Non-Business (0%)	<b>180.00</b>	<b>180.00</b>	4.7%	Cost Recovery
Registration Service	Registrar to register a Civil Partnership at a religious building - Friday	Ceremony	231.00	231.00	Non-Business (0%)	<b>241.67</b>	<b>241.67</b>	4.6%	Cost Recovery
Registration Service	Registrar to register a Civil Partnership at a religious building - Saturday / Sunday	Ceremony	260.00	260.00	Non-Business (0%)	<b>273.00</b>	<b>273.00</b>	5.0%	Cost Recovery
Registration Service	Registrar to register a Civil Partnership at a religious building - Public Holiday	Ceremony	346.00	346.00	Non-Business (0%)	<b>363.00</b>	<b>363.00</b>	4.9%	Cost Recovery
Registration Service	Attendance Of Registrars at a venue subject to specific partnership arrangement to register a Marriage or Civil Partnership - Friday	Ceremony	279.00	279.00	Non-Business (0%)	<b>315.00</b>	<b>315.00</b>	12.9%	Cost Recovery
Registration Service	Attendance Of Registrars at a venue subject to specific partnership arrangement to register a Marriage or Civil Partnership - Saturday	Ceremony	310.00	310.00	Non-Business (0%)	<b>347.00</b>	<b>347.00</b>	11.9%	Cost Recovery
Registration Service	Booking Amendment Fee	Each Booking	N/A	N/A	Standard Rated (20%)	<b>20.83</b>	<b>25.00</b>	NEW	Cost Recovery

## APPENDIX 7

### Highways Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Highways Services	Hoarding Application	M2 per 6 Weeks	27.00	27.00	Non-Business (0%)	<b>28.30</b>	<b>28.30</b>	4.8%	Cost Recovery
Highways Services	Hoarding Application - Extension	M2 per 8 Weeks	27.00	27.00	Non-Business (0%)	<b>28.30</b>	<b>28.30</b>	4.8%	Cost Recovery
Highways Services	Hoarding Application - Retrospective	Additional Fee Per License	305.30	305.30	Non-Business (0%)	<b>320.30</b>	<b>320.30</b>	4.9%	Cost Recovery
Highways Services	Scaffold License	Month	192.10	192.10	Non-Business (0%)	<b>201.50</b>	<b>201.50</b>	4.9%	Cost Recovery
Highways Services	Scaffold License - Extension	Extra Months	128.40	128.40	Non-Business (0%)	<b>134.70</b>	<b>134.70</b>	4.9%	Cost Recovery
Highways Services	Scaffold License - Retrospective	Additional Fee Per License	305.30	305.30	Non-Business (0%)	<b>320.30</b>	<b>320.30</b>	4.9%	Cost Recovery
Highways Services	Special Event Orders S16 (Note: In exceptional circumstances, a fee reduction may be agreeing at the discretion of the Traffic Manager for community events with minimal impact on the network)	Order	2,168.60	2,168.60	Non-Business (0%)	<b>2,274.90</b>	<b>2,274.90</b>	4.9%	Cost Recovery
Highways Services	Temporary Traffic Orders: By Notice - only if agreed with Streetworks Section (S14 (2))	Notice	432.70	432.70	Non-Business (0%)	<b>453.90</b>	<b>453.90</b>	4.9%	Cost Recovery
Highways Services	Temporary Traffic Orders: by Notice followed by full Order (NOTICE + 2nd public notice) (S14 (1)) / Temporary Traffic Orders: by Order (S14 (1)) / Temporary Traffic Orders: Extension	Order	2,168.60	2,168.60	Non-Business (0%)	<b>2,274.90</b>	<b>2,274.90</b>	4.9%	Cost Recovery
Highways Services	Public Path Orders Administrative Fees - Temporary Traffic Regulation Order (Path Closure) (6-Month Orders)	Path Order	2,022.00	2,022.00	Non-Business (0%)	<b>2,121.10</b>	<b>2,121.10</b>	4.9%	Cost Recovery
Highways Services	Public Path Orders Administrative Fees - Temporary Traffic Regulation Order (Path Closure (Extensions)	Path Order	2,022.00	2,022.00	Non-Business (0%)	<b>2,121.10</b>	<b>2,121.10</b>	4.9%	Cost Recovery
Highways Services	Vehicle Crossover Licence - Application Fee	Application Fee	155.70	155.70	Non-Business (0%)	<b>163.30</b>	<b>163.30</b>	4.9%	Cost Recovery
Highways Services	Vehicle Crossover Licence - Works Permission Fee	Works Permission Fee	223.40	223.40	Non-Business (0%)	<b>234.30</b>	<b>234.30</b>	4.9%	Cost Recovery
Highways Services	Letter To Support VCO Legality - Part of house sale	Per Letter	50.60	50.60	Non-Business (0%)	<b>53.10</b>	<b>53.10</b>	4.9%	Cost Recovery
Highways Services	Section 50 - New Roads & Street Works Act 1991: Private apparatus in the Highway	Units of 200m Per Street	592.50	592.50	Non-Business (0%)	<b>621.50</b>	<b>621.50</b>	4.9%	Cost Recovery
Highways Services	Local Land Charges. Provision of site drawing, electronic	Number	51.60	61.90	Standard Rated (20%)	<b>54.10</b>	<b>64.92</b>	4.8%	Cost Recovery
Highways Services	Local Land Charges. Provision of controller specification	Number	53.58	64.30	Standard Rated (20%)	<b>56.20</b>	<b>67.44</b>	4.9%	Cost Recovery
Highways Services	Local Land Charges -Provision of SCOOT, UTC or MOVA data	Number	100.10	120.10	Standard Rated (20%)	<b>105.00</b>	<b>126.00</b>	4.9%	Cost Recovery
Highways Services	Access Protection Lines - Road Markings to deter parking across private access - per set	New lines	136.50	163.80	Standard Rated (20%)	<b>143.20</b>	<b>171.84</b>	4.9%	Cost Recovery
Highways Services	Access Protection Lines - Road Markings to deter parking across private access - per set	Refurbishment	136.50	163.80	Standard Rated (20%)	<b>143.20</b>	<b>171.84</b>	4.9%	Cost Recovery



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Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Highways Services	Moving Elevated Work Platform - Notice Required	Up to 10 Working Days	104.00	104.00	Non-Business (0%)	<b>109.10</b>	<b>109.10</b>	4.9%	Cost Recovery
Highways Services	Tourist & Private Directional Signs – Survey & Admin Fees (design & manufacture costs in addition to this)	Application	323.00	323.00	Non-Business (0%)	<b>338.80</b>	<b>338.80</b>	4.9%	Cost Recovery
Highways Services	Tourist & Private Directional Signs - Non-refundable vetting fee	Application	129.40	129.40	Non-Business (0%)	<b>135.70</b>	<b>135.70</b>	4.9%	Cost Recovery
Highways Services	Temporary Direction Signs (New Developments) - First 5 signs	Up to 5 Signs	567.20	567.20	Non-Business (0%)	<b>595.00</b>	<b>595.00</b>	4.9%	Cost Recovery
Highways Services	Temporary Direction Signs (New Developments) - Additional Signs	Additional Sign	113.20	113.20	Non-Business (0%)	<b>118.70</b>	<b>118.70</b>	4.9%	Cost Recovery
Highways Services	TROs Required - as a consequence of development or another promoter	TRO	7,933.30	7,933.30	Non-Business (0%)	<b>8,322.00</b>	<b>8,322.00</b>	4.9%	Cost Recovery
Highways Services	Skip License - Initial 14-day license	14 Days	63.00	63.00	Non-Business (0%)	<b>66.10</b>	<b>66.10</b>	4.9%	Cost Recovery
Highways Services	Skip license - 14-day extension	14 Days	63.00	63.00	Non-Business (0%)	<b>66.10</b>	<b>66.10</b>	4.9%	Cost Recovery
Highways Services	Skip License - over run fee cost recovery	License	93.00	93.00	Non-Business (0%)	<b>97.60</b>	<b>97.60</b>	4.9%	Cost Recovery
Highways Services	Skip License - Retrospective	Application	104.00	104.00	Non-Business (0%)	<b>109.10</b>	<b>109.10</b>	4.9%	Cost Recovery
Highways Services	Materials on a Highway - Licence 171 to temporarily deposit building materials etc, no excavation (non-apparatus) etc OVER 24-Hours: 1-5 Days	Licence 1 to 5 Days	91.00	91.00	Non-Business (0%)	<b>95.50</b>	<b>95.50</b>	4.9%	Cost Recovery
Highways Services	Licence 171 Excavation	Licence 1 to 5 Days	592.50	592.50	Non-Business (0%)	<b>621.50</b>	<b>621.50</b>	4.9%	Cost Recovery
Highways Services	Moving Elevated Work Platform - over run fee	Day	155.70	155.70	Non-Business (0%)	<b>163.30</b>	<b>163.30</b>	4.9%	Cost Recovery
Highways Services	Moving Elevated Work Platform - Change of date administration	One-off	36.40	36.40	Non-Business (0%)	<b>38.20</b>	<b>38.20</b>	5.0%	Cost Recovery
Highways Services	Scaffold - Fine for over run or failure to notify removal complete	Application	242.00	242.00	Non-Business (0%)	<b>253.90</b>	<b>253.90</b>	4.9%	Cost Recovery
Highways Services	Materials on a Highway - Licence to temporarily deposit building materials - Over run per day	Day	36.40	36.40	Non-Business (0%)	<b>38.20</b>	<b>38.20</b>	5.0%	Cost Recovery
Highways Services	Temp Vehicle Crossover Licence: Developer Applications - 1 to 5 properties (dwellings) on site	Application	565.20	565.20	Non-Business (0%)	<b>592.90</b>	<b>592.90</b>	4.9%	Cost Recovery
Highways Services	Temp Vehicle Crossover Licence: Developer Applications - 6 to 25 (dwellings) properties on site	Application	1,130.30	1,130.30	Non-Business (0%)	<b>1,185.70</b>	<b>1,185.70</b>	4.9%	Cost Recovery
Highways Services	Temp Vehicle Crossover Licence: Developer Applications - 25+ properties (dwellings)	Application	2,824.70	2,824.70	Non-Business (0%)	<b>2,963.10</b>	<b>2,963.10</b>	4.9%	Cost Recovery
Highways Services	Temporary Direction Signs (new developments) - Unauthorised Sign Removal	Each Sign Removal	104.10	104.10	Non-Business (0%)	<b>109.20</b>	<b>109.20</b>	4.9%	Cost Recovery
Highways Services	Temporary Switch Off for Pedestrian Crossing	Each	617.00	617.00	Non-Business (0%)	<b>647.20</b>	<b>647.20</b>	4.9%	Cost Recovery

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Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Highways Services	Temporary Switch Off for Signalised Junction	Each	804.00	804.00	Non-Business (0%)	<b>843.40</b>	<b>843.40</b>	4.9%	Cost Recovery
Highways Services	Tree Planting Contribution	Application	200.00	200.00	Outside Scope (0%)	<b>209.80</b>	<b>209.80</b>	4.9%	Subsidised
Highways Services	S59 Licence Agreements	Application	500.00	500.00	Non-Business (0%)	<b>524.50</b>	<b>524.50</b>	4.9%	Cost Recovery
Highways Services	Various Licences -Under S115E of Highways Act and Consents to temporary activities - Admin Fee	Application	Various	Various	Non-Business (0%)	<b>Various</b>	<b>Various</b>	NEW	Subsidised
Highways Services	Crane Licence	Licence- 4 Weeks	N/A	N/A	Outside Scope (0%)	<b>367.50</b>	<b>367.50</b>	NEW	Subsidised
Highways Services	Crane Licence - Extension	Licence- 4 Weeks	N/A	N/A	Outside Scope (0%)	<b>173.40</b>	<b>173.40</b>	NEW	Subsidised
Highways Services	Traffic Survey Licence (per USRN)	Licence- 2 Weeks	N/A	N/A	Outside Scope (0%)	<b>75.00</b>	<b>75.00</b>	NEW	Subsidised

### Transport Fees and Charges

Service	Fee or Charge	Per What?	2021/22 Fee or Charge - Exclusive of VAT (£)	2021/22 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	VAT Type	Proposed 2022/23 Fee or Charge - Exclusive of VAT (£)	Proposed 2022/23 Fee or Charge - Inclusive of VAT (Where Applicable) (£)	% Increase 2022/23	Type of Charge
Transport - Road Safety	Cycle Training Course - Complete Beginner	1 hour Session	35.70	35.70	Exempt (0%)	<b>37.40</b>	<b>37.40</b>	4.8%	Cost Recovery
Transport - Road Safety	Cycle Training Course - Beginner/Road Riding	1.5 Hour Session	41.40	41.40	Exempt (0%)	<b>41.40</b>	<b>41.40</b>	0.0%	Cost Recovery
Transport - Road Safety	Cycle Training Course - Advanced	2 Hour	46.60	46.60	Exempt (0%)	<b>46.60</b>	<b>46.60</b>	0.0%	Cost Recovery
Transport - Road Safety	Children's Cycle Training Course - Bikeability	2 Hour	20.00	20.00	Exempt (0%)	<b>20.00</b>	<b>20.00</b>	0.0%	Cost Recovery
Transport - Road Safety	Experienced Driver Assessment	Hour	48.10	48.10	Exempt (0%)	<b>50.50</b>	<b>50.50</b>	5.0%	Cost Recovery
Transport Bureau	Minibus Permit S19	Permit	15.00	15.00	Non-Business (0%)	<b>15.70</b>	<b>15.70</b>	4.7%	Cost Recovery
Transport Bureau	English National Concessionary Travel Scheme - Replacement Bus Pass	Pass	10.00	10.00	Exempt (0%)	<b>10.50</b>	<b>10.50</b>	5.0%	Cost Recovery
Transport Bureau	Transport DBS – DBS Checks for External Transport Staff	Check	72.00	72.00	Non-Business (0%)	<b>75.50</b>	<b>75.50</b>	4.9%	Cost Recovery

#### Anacronyms

SLA	Service Level Agreement
SEN	Special Educational Needs
CROW	Countryside and Right of Way
WEEE	Waste of Electrical and Electronic Equipment
DBS	Disclosure and Barring Service
PPO	Public Path Order
TRO	Traffic Regulation Orders
SCOOT	Split Cycle Offset Optimisation Technique
UTC	Urban Traffic Control
MOVA	Microprocessor Optimised Vehicle Actuation

## APPENDIX 8

### Our Council Plan and KPIs

The Covid-19 pandemic has continued to impact significantly on the work of West Sussex County Council. We operate in different ways, adapting how we deliver our services, responding to changing demands and needs and working more effectively with partners, in order to ensure the best outcome for our residents, businesses and communities.

Our Council Plan is based on the following four priority outcomes, with an underlying commitment to Climate Change action:

- Keeping people safe from vulnerable situations
- A sustainable and prosperous economy
- Helping people and communities fulfil their potential
- Making best use of resources

We will continue to focus on delivering against these priorities, whilst also working alongside local and national partners to ensure that support is in place when needed during the highest waves of the pandemic, including through:

- Healthcare;
- Social care;
- Housing and emergency accommodation; and
- Community Hubs across the county to help people access food, prescriptions and other essentials when they need it most.

As well as supporting residents directly we work closely and effectively with our NHS and school partners to ensure the local health and wellbeing systems provide as effective support as possible.

We will continue to build on this momentum and the valuable lessons being learnt from these evolving ways of working, in order to ensure that we are well-placed to face what we know will be challenging and uncertain times ahead. We know that this will be vital if we are to deliver on our priorities. Whilst we now have a better understanding of the economic, social care and health impacts of the pandemic on our communities, the full effects are yet to be seen. The emergence of the Omicron variant has served as a stark reminder that the pandemic is still with us, and whilst there are encouraging signs of economic recovery, with national GDP growing by 0.6% in September 2021, this remains 0.6% below its pre-coronavirus peak.

Alongside our continued commitment to Our Council Plan priorities, we will also maintain focus on the important improvement journeys that we'd already started before the pandemic – corporately, and in Children's Services, and the Fire and Rescue Service. This reinforced focus will ensure that we continue to:

- > Put residents and communities at the heart of everything we do;
- > Create strong and visible leadership;
- > Work closely with communities and partners;

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- › Invest in and value the staff that work for WSCC; and
- › Make the way we work as a Council as straightforward as possible for the communities we serve.

We will also strengthen our support to those who need it most but manage this within the financial challenges we face.

This means we will need to continue to:

- › Prioritise our key outcomes;
- › Ensure we effectively manage the demand on our services;
- › Make sure our resources go to where they are needed most;
- › Ensure we always get the best value for money from our resources, in the short and the long term.

This plan acts as a framework for WSCC to operate in a way that means we are clear on what we want to achieve and what we will do to achieve the priorities, but we are flexible to respond to whatever comes our way. This plan and the way we have put it together reflects the changing nature of our role – a deliverer, convenor or enabler of whatever is needed to serve our communities. We have spoken to community groups, undertaken research with residents to understand the effects of Covid-19 and what they need going forward, and involved WSCC staff and almost 50 of our local partners in the process to shape four key priorities and outcomes, underpinned by responding to the challenges of climate change.

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**Amendments to Council Plan KPIs for 2022-23**

<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
<p>3. Fire safety inspections of business premises</p> <p>There are approximately 35,000 Fire Safety Order regulated buildings in West Sussex. This measure examines the total number of audits of these buildings undertaken in a year starting April, under the Risk Based Inspection Programme (RBIP). The RBIP is a combination of the activities on specific risk premises, thematic risks and IRMP work and at the core of the RBIP is a regular inspection program for known sleeping risks. In order to ensure that we are effectively enforcing the Fire Safety Order our target is to achieve an average of 1,750 RBIP visits per year.</p>	Target for future years	No target determined	1,750 for each of the next 3 years	<p>Targets for 2022-23 were not previously defined.</p> <p>At the end of 20/21 the target for Fire safety Inspections of Business Premises was increased to align with the national average of 5% of Fire Safety Order (FSO) regulated premises being audited each year. The FSO applies to approximately 35,000 properties in West Sussex, giving an annual 5% target of approximately 1,750 audits.</p>
<p>6. Healthy weight of 10-11-year-olds</p> <p>The National Child Measurement Programme data provide a proxy for population prevalence of</p>	Target for 2022-23	No target determined, currently says 'tbc'	Top quartile of all Councils in the South East.	<p>2022-23 target was not previously defined.</p> <p>No results are being published at county level for 2020-21. For these reasons it is difficult to set a numerical target for 2022-23.</p>

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<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
healthy weight, overweight and obese in two school year groups and are refreshed annually.				If 2021-22 results are published next year, we can then assess whether we have met this target.
<p>15. Enterprises supported to start, revive, innovate, and grow</p> <p>The businesses supported is derived from the following "The Track" - creative digital hub in Bognor Regis; and a number of externally funded business support programmes: Hot House, RISE, LoCASE, Experience West Sussex, SME digital adoption, SME low carbon programme.</p>	Target for 2022-23	No target determined	1,760	<p>2022-23 target was not previously defined.</p> <p>This measure reflects the total number of enterprises that will be supported through the range of business support initiatives being delivered by the council's Economy Reset Plan in 2022/23. For some of these initiatives, delivery and outputs will be higher in 2022/23 than in the previous reporting year.</p>
<p>16 New tenders over the value of £500,000 include 'social value' criteria as part of the evaluation, in line with the Council's social value framework</p> <p>To ensure we comply with obligations for social value and to measure the value and benefit it brings to our local economy.</p>	Minor rewording of measure description	New tenders over the value of £500,000 include 'social value' criteria as part of the evaluation, in line with the	New <b>competitive tenders and their resulting contracts</b> over the value of £500,000 include 'social value' criteria as part of the	To enhance clarity of measure.

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Existing Key Performance Indicator	What is Changing	Previously	Changing To	Reason for Change
		Council's social value framework	evaluation, in line with the Council's social value framework.	
<p>20. Premises able to access gigabit-capable connectivity by 2025</p> <p>The Government has now launched Project Gigabit, a key pillar of which is the extension of its UK Gigabit Voucher Scheme to contribute towards meeting its digital infrastructure targets.</p> <p>This measure reflects central government's commitment to enable 85% of premises in the UK to access gigabit capable connectivity by the end of 2025.</p>	Targets for 2021-22 onwards	Targets 2021-22 – 20% 2022-23 – 40%	Targets 2021-22 – 40% 2022-23 – 55%	<p>Currently reporting the accumulative total of <b>Fibre</b> to the Premises/Home (FTTP/FTTH) coverage. The Government have since changed the national measure from one that measures the coverage by specific technology (FTTP/H) to speed (gigabit-capable connectivity). This will allow technologies which are not strictly 'full fibre' to be included where they provide gigabit-capable speeds to premises. It is a way of including Virgin Media's technology which is in part using co-axial cable and not full fibre. As a result, the government expect gigabit-capable coverage to leap to 60% by the end of this year.</p> <p>Measuring the progress of full fibre solely we are currently at 27.8% against the original measure. However, if we include Virgin Media's technology, we jump up to 48.8% against the original target of 20%.</p>
<p>33. Use of virtual/digital library services by residents This measures library service activity and engagement with</p>	Target for 2022-23	No target determined	5.45m	2022-23 target was not previously defined. Rationale for maintaining 2021-22 targets - Although we have seen significant spike in demand for eLibrary book downloads

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<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
<p>residents exclusively in the digital space. Data collected includes visits to online platforms, downloads of eLibrary items, information enquiries handled online and attendance at online events. We use the data to monitor, and evidence use, draw comparisons with parallel community-based services and to help inform allocation of resources.</p>				<p>through lockdowns, we've not secured significant additional resource to match supply of eBooks, i.e., the selection won't grow any faster than we had planned pre-pandemic. This is a known challenge for us (and the libraries sector nationally). Our aspiration would be to continue to grow virtual library use, but expectations are that we would do well to sustain current usage, given the limiting factors of resource for eBook stock and wider service development.</p>
<p>34. Number of people reached and supported via the West Sussex Community Hub during the Covid-19 pandemic</p> <p>The Community Hub will respond to Central Government and Public Health England advice, restrictions, and initiatives such as Lateral Flow Testing and Enhanced Tracing to reduce the spread of the Coronavirus, keeping the residents of West Sussex safe. During any restrictions, the Council will focus on and support the Clinically Extremely Vulnerable residents, this could be provision of food,</p>	<p>Target for 2022-23 onwards</p>	<p>No target determined</p>	<p>Targets 2022-23: 36,000 2023-24: 37,000 2024-25: 38,000</p>	<p>Future targets were not previously defined.</p> <p>The Community Hub was stood up in March 2020, initially to support the cohort of Clinically Extremely Vulnerable (CEV) identified by the NHS to be part of the Central Government Shielding Programme. This cohort was around the 35,000 in the first wave and gradually increased in size to 59,000 as more medically vulnerable groups were added by the NHS (e.g., dialysis patients, people with Parkinson's Disease etc). As time has moved on the Covid response needed within the West Sussex Community Hub has evolved. What started off as predominately food and medicine needs for the CEVs shielding has now evolved into a wider response, including</p>



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<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
<p>delivery of medication or someone to talk to.</p>				<p>working as part of the Local Tracing Partnership supporting the National Test and Trace Programme, supporting with residents with Covid needs and supporting households with wider essential needs through the Household Support Fund.</p> <p>The performance against the target has been measured on the number of CEVs supported, however the Shielding Programme ended on the 15/8/2021 following the roll out of the vaccine.</p> <p>At the current time it is not known what the needs will be for 2022/23 will be and if there will be additional requests from Central Government for support. It is assumed that the Local Tracing Partnership will continue for at least a further 6 months and there will be a requirement to support our residents with wider essential needs. The target for 2022/23 has been estimated on current volumes of residents requesting additional support via the National NHS Test and Trace Service, our partners, or direct with the West Sussex Community Hub, and the likelihood of the Household Support Funding from Central Government being extended past March 2022. The targets will be reviewed yearly.</p>

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<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
<p>35. Number of people completing evidence-based falls prevention programmes</p> <p>This indicator measures the numbers of people aged 50+ who are completing programmes and interventions aimed at reducing the rate of falls and numbers of people falling. At this point in time its scope is local authority strength and balance programmes and does not take into account wider system activity.</p>	<p>Target for 2022-23</p>	<p>No target determined</p>	<p>Targets 2022-23: 400 2023-24: 500 2024-25: 600</p>	<p>Targets were not previously defined.</p> <p>All Districts and Boroughs, as part of the West Sussex Wellbeing Programme resourced by Public Health, deliver specific muscle strengthening and balance improvement therapeutic exercise programmes. This is the intervention with the strongest evidence base for reducing the number of falls and the number of people falling. Participants are required to undertake 50 hours of exercise over a number of months for the intervention to be effective. The targets below of number of participants completing a minimum of 75% of sessions are based on increasing both capacity and adherence to the programme over the next three years.</p>
<p>45. All member training and development needs identified and training completed within 12 months of 2021 election</p> <p>The following elements of member training have been identified as mandatory: safeguarding (adults and children), Code of Conduct and standards, corporate parenting, cyber security and data</p>	<p>Replace with new measure</p>	<p>All member training and development needs identified, and training completed within 12 months of 2021 election</p>	<p>County councillors have the learning and development needed to enable them to carry out their roles well and it is delivered effectively. A</p>	<p>The old measure is now complete and will be replaced with this new related measure.</p>

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<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
protection, equality/diversity. Training and information on these topics will be provided to all members and participation will be monitored by the Member Development Group and by Group Leaders.		Target 100%	programme design that meets member needs and delivery that works well. Target 2022-23 a) Attendance 50% b) Satisfaction levels 91%	
46 New Code of Governance published, assisting the public, staff and elected members to navigate the Council’s decision-making process	Removal of measure		Remove from Council Plan	The target is now complete.
50. The aggregated unit cost of our services compared to our statistical neighbours  This measure divides the total cost of services provided by WSCC by the population of West Sussex, which we can then compare on a like for like basis with similar sized local	Baseline and targets	No target or baseline determined	Baseline 2020-21 = 4th. Target 2021-22 = 7 <sup>th</sup> -8 <sup>th</sup> Target 2022-23 = 7 <sup>th</sup> -8 <sup>th</sup> Target 2023-24 = 7 <sup>th</sup> -8 <sup>th</sup>	Targets were not previously defined.  WSCC had the 4 <sup>th</sup> highest expenditure out of 16 comparable local authorities, the 2021/22 forecast outturn position has been used as the basis for setting the target, which would show an improvement to 8 <sup>th</sup> if nothing changes between now and the end of March 2022.

**APPENDIX 8**

<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
<p>authorities across England, which then provides a comparative understanding of the value for money achieved by WSCC.</p>			<p>Target 2024-25 = 7<sup>th</sup>-8<sup>th</sup></p>	<p>Aim to maintain the target for the duration of the business plan because;</p> <ul style="list-style-type: none"> <li>a) an improvement of 4 places is significant representing an improvement of 25% which would normally represent good progress across three years, let alone one,</li> <li>b) we are still in uncertain times, the Local Government Finance Settlement is only for 1 year (2022/23) with further fundamental reviews of financing anticipated,</li> <li>c) the pandemic is still with us,</li> <li>d) our relative position is dependent upon what happens in other local authorities not just what we do ourselves.</li> </ul>
<p>52 For key decisions on contracts over £500,000 include an appraised option for partnership working to assess opportunities for efficiency.</p> <p>To ensure we are looking at Value for Money and spending money wisely, considering all options to deliver efficiency and effectiveness for the benefits of the taxpayer.</p>	<p>Minor rewording of measure description</p>	<p>For key decisions on contracts over £500,000 include an appraised option for partnership working to assess opportunities</p>	<p><b>New competitive tenders and their resulting contracts</b> over the value of £500,000 include an appraised option for partnership working to</p>	<p>To enhance clarity of measure.</p>

**APPENDIX 8**

<b>Existing Key Performance Indicator</b>	<b>What is Changing</b>	<b>Previously</b>	<b>Changing To</b>	<b>Reason for Change</b>
		s for efficiency.	assess opportunities for efficiency.	

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## **West Sussex Capital Strategy 2022-2027**

### **1. Purpose**

- 1.1 The West Sussex Capital Strategy drives the Council's strategic capital investment ambition to support the sustainable long-term delivery of services. The Strategy supports delivery of Our Council Plan, the Council's vision for the county and its commitment to the communities of West Sussex as part of a suite of strategic financial management approaches that inform the Medium-Term Financial Strategy (MTFS).
- 1.2 The Capital Strategy is informed by the Council's Asset Management Strategy, which collates services' asset requirements and integrates them with corporate asset management objectives. These demand-led objectives help shape Member decisions about the value and scale and the priorities of the Capital Programme which is approved annually by County Council as part of the Annual Budget decision.
- 1.3 The Capital Strategy sets the framework for the identification, development and delivery of capital projects across all services. It supports and informs the control environment for delivering and reporting projects.
- 1.4 The Capital Strategy conforms with the Local Government Act 2003, which sets out the power to borrow, affordable borrowing limits, power to invest and relevant guidance. It is also informed by the CIPFA Prudential Code 2017, the Treasury Code of Practice 2017 and relevant guidance. In line with best practice set out in the Prudential and Treasury Codes, it:
  - applies a long-term approach
  - explores external influence on the Capital Strategy
  - examines commercial activity/ambition
  - notes the implications of the Treasury Management Strategy
  - ensures Council Plan priorities drive capital investment
  - examines available resources and capacity to deliver
  - assesses affordability against ambition and addresses any gap
  - identifies capital financing principles
  - demonstrates integration with other strategies and plans
  - supports a 5-year capital investment plan, with actions, timescale, outputs and outcomes plus a five-year funded programme in line with the Medium-Term Financial Strategy
  - identifies risks and mitigations
  - outlines capital governance, monitoring, processes and procedures.
- 1.5 CIPFA published the updated Treasury Management and Prudential Codes on 20 December 2021. CIPFA has stated that there will be a soft introduction of the codes. However, resulting activity in 2022/23 should have regards to the new Codes of Practice with full implementation required for 2023/24.
- 1.6 Several external organisations and partners help inform the Council's Capital Strategy, including district and borough councils via local plans and partnerships and funding bodies, including government departments and devolved funding bodies. The Capital Strategy brings together the demand for capital investment and the available funding to enable the Council to set out its plan to fund the development and delivery of its priorities over the medium term through the five-year Capital Programme.

## **2. Principles**

- 2.1 Capital expenditure is expenditure that results in the acquisition, construction or enhancement of an asset for a period of more than one financial year. Assets can include land, buildings, roads, plant and equipment. Spending on projects can be capitalised if it meets the definition of capital expenditure.
- 2.2 The Capital Strategy sets the direction for the foreseeable future and informs the five-year Capital Programme. The Capital Programme is reviewed and updated annually to ensure it remains focused on the Council's priority outcomes and can react to changes in circumstances or need.
- 2.3 The key principles of the Capital Strategy are:
- Capital expenditure enables the achievement of the Council's priority outcomes in the Council Plan
  - Business intelligence data drives long-term asset planning to meet the needs of services
  - Maintenance of assets is vital to the integrity of the Council's approach to asset management and capital planning
  - Capital investment decisions are made within a clear framework ensuring value for money
- 2.4 Individual projects are considered based on the extent to which they contribute towards Our Council Plan priorities. Projects are assessed via business cases demonstrating they will deliver benefits derived from the council's priorities and the extent to which they affect ongoing revenue costs to the County Council.
- 2.5 Projects that deliver Our Council Plan objectives and which are self-financing, in that the revenue benefits include income sufficient to cover the total cost of delivery, including financing costs, are funded from the Future Economic Developments line in the programme. Section 7 covers the arrangements for the projects funded from the Future Economic Developments line in detail.

## **3. Programme Objectives and Priorities**

- 3.1 Our Council Plan sets out the Council's vision and priority areas for the county. Individual Service Business Plans at departmental and directorate level identify objectives for each service to deliver Plan priorities for their area of responsibility. Directorate-owned Asset Management Strategies set out the asset requirements to deliver those objectives.
- 3.2 The Core Programme includes the following areas of asset management:
- Corporate Estate maintenance – including the corporate and service-operated estate
  - School's maintenance – across the Local Authority maintained school estate
  - Highway's maintenance – including network condition-based repairs, upgrade and replacement of signals and signage and structural maintenance
  - Fleet – investment in the Council's vehicles including Fire and Rescue, Highways and Transport and Social Care vehicles
  - Asset improvements arising from the Councils Climate Change Strategy

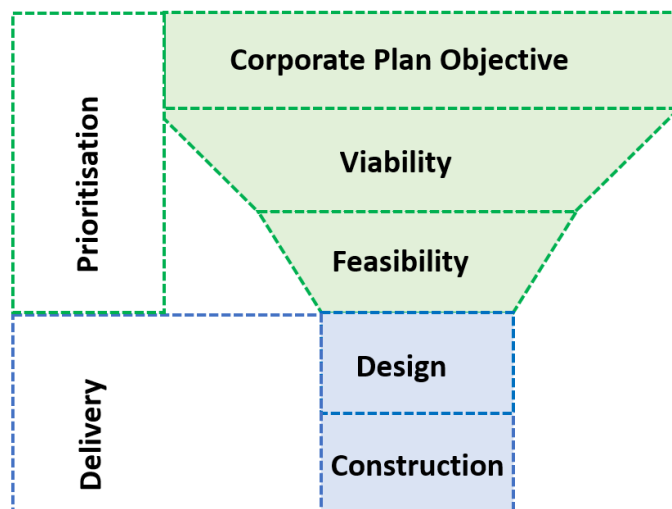


- Energy efficiency projects – where external funding pays back the investment
  - IT investment - so the Council can deliver modern and compliant services
- 3.3 Other projects require a business case prior to progress for consideration in the Capital Programme. The business case considers the extent to which projects deliver Our Council Plan objectives set against technical project deliverables and the financial impact to the Council. Where the Council receives external funding to meet strategic demands and objectives (including provision of school places and highways improvements to meet increased demographic and development demand), this reduces or even eliminates the capital costs of projects required of the Council. Financial considerations include:
- Cost Avoidance – projects that offset the costs of increasing service demand, including the cost of project development and delivery with a clear net revenue payback
  - Strategic Investments - with a longer-term payback including the benefits of regeneration of town centres
  - Borrowing costs – where external funding is not received, the cost of borrowing is included to indicate the full cost of project delivery
  - The ability of the project to generate capital receipts
- 3.4 Other projects also include Highway’s major projects, funded from external grants and developer contributions and the provision of new school places and the creation of special school places, where increased in-county capacity reduces requirements for more costly independent placements.
- 3.5 Future Economic Developments projects are projects where the revenue benefits are projected to exceed the total cost of their delivery, including development, operational and financing costs. The cost of financing the projects is funded through the revenue income and has a positive net benefit to the bottom line.
- 3.6 In order to deliver its outcomes more effectively and improve its financial resilience in the longer term, the Council entered into a Joint Venture (JV) with a long-term partner to take forward and benefit from the development opportunities available through developing sites with our partner. The financial benefits of this approach are currently being modelled and anticipated capital receipts will be used to reduce future borrowing requirements. The potential timeline of these receipts will be considered in the financing of the capital programme in future years.

#### **4. Governance Arrangements for Capital Investment**

- 4.1 The core maintenance programmes are approved via an Outline Business Case led by service asset condition survey data. Agreed condition scoring methodologies define an on-going programme of activity designed to maintain an overall standard for each type of asset. A list of proposed works is presented each year, with delivery, changes and reactive budgets delegated to the relevant Director.
- 4.2 Other proposed projects included in the Capital Programme are progressed through the capital programme governance framework

4.3 Each project is brought through a standard gateway process characterised by the following stages, which focus and reduce the options taken forward:



As proposals are developed, a detailed Full Business Cases is produced to demonstrate cost/ benefit of the project and seek approval for funding and implementation.

- 4.4 Revenue funding to assess scheme viability is allocated against Outline Business Case proposals to test emerging projects and further feasibility funding is subject to senior officer approval of shortlisted or preferred options also against an Outline Business Case.
- 4.5 Cabinet Member approval is required for the funding and implementation of significant and high value projects. Projects and changes to projects costing over £0.5m are subject to a Key Decision before proceeding. Lower value or less significant changes are approved within agreed limits set out in Table 1.

**Table 1 Senior officer approval limits**

<b>Limit</b>	<b>Approval</b>
(i) Where the level of investment or variation is no more than 5% of the total project cost or no greater than £250,000;	Senior officer
(ii) Where, not fitting within (i), the level of investment or variation is no more than 10% of the total project cost or no greater than £500,000 and (iii) Where the decision has not previously been marked by the relevant Cabinet Member for decision by the Cabinet Member	Senior officer will consult the Cabinet Member before deciding
(iv) Where the matter has been the subject of previous Cabinet Member decision delegating further decisions	Delegated Officer

Limit	Approval
(v) Where the relevant Executive Director, in discussion with the Cabinet Member, does not consider the matter to be politically sensitive and so the use of officer delegation would be appropriate	Executive Director

- 4.6 The overall programme approach is reviewed and approved by the County Council each year at its budget setting meeting and the Financial Regulations (Financial Regulation B, paragraphs 2.2 – 2.4) set out the associated governance arrangements.
- 4.7 Options appraisals are based on the HM Treasury Green Book five-case business case model, adapted to meet local requirements<sup>1</sup>. All business cases and project changes are reviewed at the officer Capital Programme Board meetings before being recommended to the relevant decision-maker for approval.
- 4.8 The Capital Programme is monitored as part of the Performance and Resources Report developed to support and monitor delivery of Our Council Plan. The quarterly reports are presented to the Cabinet and to scrutiny committees. The report is also published in the Members’ Bulletin and linked to the Members’ Information Network database. Oversight of programme performance management is part of the core business of the Executive Leadership Team and the Cabinet. These forums and individual scrutiny committees may also consider individual projects to monitor outcomes.

## 5. Five-year programme

- 5.1 Capital investment is made in order to maintain, support and enhance delivery of the County Council’s strategic objectives and climate change ambition as set out in the Council Plan. The Plan priorities and objectives and current programme allocations in each area are set out below with specific climate change plans identified under ‘best use of resources’:

### Keeping people safe from vulnerable situations

- Children’s Social Care – a programme of development of existing Children’s Social Care placements to provide improved and more local services for vulnerable children and young people
- Adults’ Social Care – a range of investments in the care market, including the high needs sector, Extra Care and in-house improvements
- Live Training Centre and Horsham Fire Station – a new fire station and training centre, ensuring future emergency response needs are met

<sup>1</sup> HM Treasury’s Green Book Five-Case Model, is as follows:

**Strategic** – there is a robust “case for change” which meets corporate objectives

**Economic** – the scheme delivers value for money

**Financial** – the scheme is affordable within capital and revenue resources

**Commercial** – procurement arrangements and any deal structure have been considered

**Management** –ensuring strong arrangements for the set-up and delivery of the project

- Fire and Rescue Service equipment – keeping the service supported with state-of-the-art emergency response equipment
- Highways safety and resilience improvements – including flood risk-management, road safety schemes and footways improvements

### **A sustainable and prosperous economy**

- Growth Programmes – strategic infrastructure improvements improving connectivity and access to the town centres at the heart of the West Sussex economy
- Digital Infrastructure – providing the infrastructure backbone for gigabit accessibility for businesses and residents
- Major Highways Projects – including the Lyminster Bypass, re-alignment of the A29 between Bognor and Westergate and corridor improvements on the A2300 and A259
- Highways Maintenance – additional investment in road maintenance reflecting the importance of the infrastructure for economic growth
- Local Transport Improvements – a programme of traffic management schemes aimed at improving traffic flow

### **Helping people and communities to fulfil their potential**

- Additional School places – to meet the needs of our growing communities
- Special Educational Needs and Disabilities Strategy – a programme of investment in additional places in West Sussex schools, increasing quality and local choices
- School Access Initiative – enhancing the choices for children with special educational needs by making minor adaptations to accommodate a wider variety of needs in mainstream schools
- Safeguarding Schools – boundary and access improvements to ensure that children are safe and secure within schools

### **Making best use of resources**

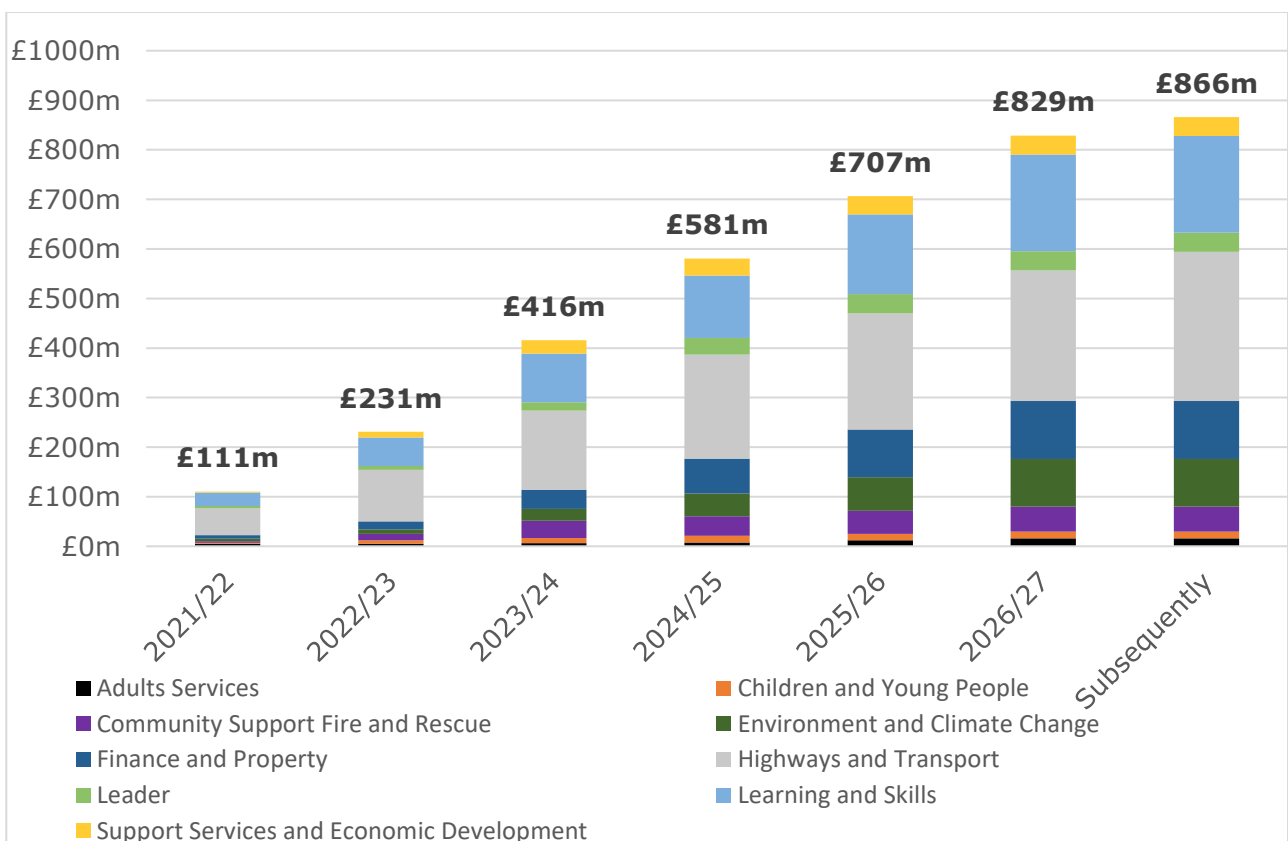
- Highway's maintenance across the networking, including programmes addressing the condition of carriageways, footways, structures, signals
- Education property maintenance across the school estate, ensuring that schools are safe, secure and suitable learning environments
- Corporate maintenance across the property estate, ensuring that buildings are safe, secure and suitable for service requirements
- Energy Generation – exploring green energy technology to reduce the Council's reliance on fossil fuels, reduce carbon consumption and maximise cost-efficiency of energy usage
- Carbon reduction – targeting investment in low-carbon upgrade options for routine maintenance and planned projects

- Corporate estate improvements – tactical site improvement works to optimise usage and future options
- Major development projects - Broadbridge Heath Park development and Horsham Enterprise Park
- Joint venture - work with long term partner to take forward development opportunities to increase yield on surplus assets
- Waste management – ensuring closed landfill sites are suitably maintained and managed to protect local environments
- Fleet – investment in the Council’s vehicle requirements to support activities across the range of services

## 6. Capital Programme expenditure and funding

6.1 The total value of schemes in the 2022/23–2026/27 Capital Programme is £755.7m. Figure 1 analyses the Capital Programme; Appendix A gives further details.

**Figure 1: Capital programme expenditure 2021/22 to 2026/27 and subsequent years**

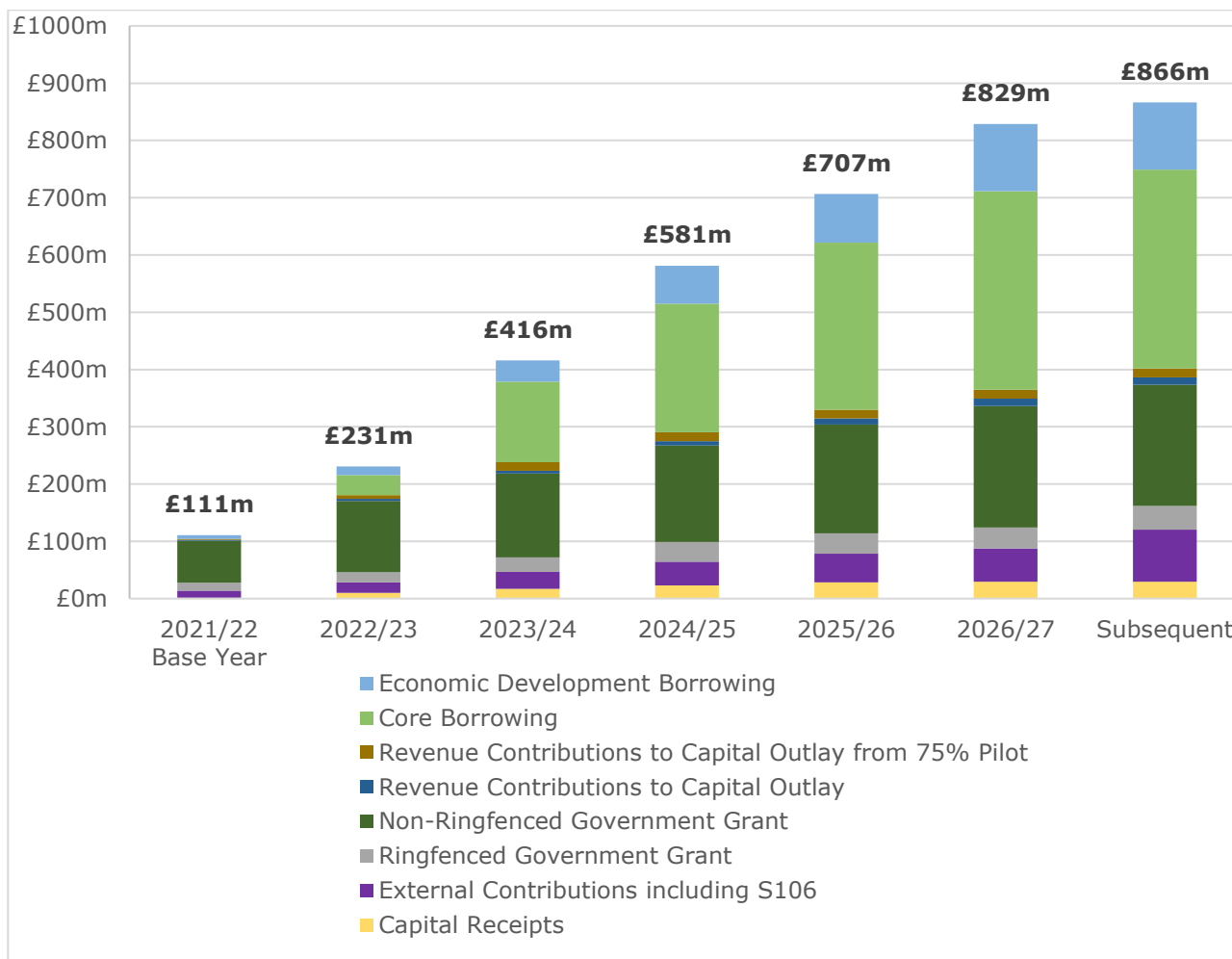


6.2 Capital expenditure may be financed from a range of corporate and external resources. Corporate resources include capital receipts, revenue contributions, reserves and corporate borrowing. External sources include Government grants and private sector contributions such as developer contributions. External resources can sometimes come with limitations on their use such as ring-fenced

grants or restrictions on the application of s106 funds. The programme reflects capital spending plans at the date when the County Council formally approves the Budget and MTFS. During the year additional funding (for instance, capital grants or developer contributions) may become available.

6.3 The assumed funding profile for the programme to 2026/27 is shown in Figure 2.

**Figure 2: Capital programme funding 2021/22 to 2026/27 and subsequent years**



6.4 Capital plans, outlined in section 5, show a total borrowing requirement of £44.0m is required to finance the Council’s capital expenditure plans in 2022/23.

6.5 The revenue impact (capital financing cost as a percentage of net revenue streams) of the recommended borrowing strategy for the Council’s Capital Programme (excluding Economic Development schemes, PFI and finance leases) is outlined below in Table 2. As part of the capital financing cost, the Council has to make an annual contribution from revenue called Minimum Revenue Provision (MRP) to reflect the expenditure. Appendix B sets out the Council’s (MRP) Statement for 2022/23.

**Table 2: Revenue impact of the Capital Programme borrowing strategy (excluding Economic Development schemes, PFI and finance leases)**

	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Net Revenue	648.3	677.7	691.4	712.3	726.0
Expenditure					
Capital Programme					
Financing Charges					
- MRP	11.8	13.0	16.0	18.8	20.4
- Interest	17.6	18.2	20.4	22.5	23.5
TOTAL	29.4	31.2	36.4	41.3	43.9
% Ratio	4.5%	4.6%	5.3%	5.8%	6.1%

- 6.6 The implications of the Capital Programme outlined in paragraphs 6.1 to 6.3 in terms of the Council's Authorised Borrowing Limit and Operational Boundary are detailed in the Treasury Management Strategy Statement which is set out in Annex 2(b) of the main budget report.
- 6.7 The Council has considered long term capital planning and the implications this will have on both the level of borrowing and the revenue budget. As at 31 March 2022 the Council had external loans with the Public Works Loans Board (PWLB) totalling £471.3m, with a maturity profile which stretches out to 2071. Appendix C sets out the Council's borrowing profile to 2072 and assumes that from 2027/28 onwards the Council has an annual core programme borrowing requirement of £20m and continues to hold useable reserves, provisions and working capital (£130m each year from 2043/44 onwards).
- 6.8 Within the Economic Developments borrowing figures, the borrowing need gradually reduces over the period to 2072, due to both the application of capital receipts generated by some of the Economic Development projects, along with other projects generating revenue returns to reduce the associated borrowing need.
- 6.9 Relevant Prudential Indicators for 2022/23 to 2026/27 are set out in Annex 2(c) of the main budget report, including the commercial investment indicators.

## **7. Non-Treasury Investments**

- 7.1 The Council's capital investment plans (Section 5) includes a portfolio of Economic Development projects, or non-treasury investments. This portfolio will generate economic benefit to the county and a revenue return to the Council, which will meet the Our Council Plan objectives. The Council's Economic Development projects are only agreed when supported by approved business cases and subject to Members' obtaining appropriate assurance regarding the security of capital sums involved. Performance and Finance Scrutiny Committee undertakes appropriate scrutiny.
- 7.2 Examples of the Council's non-treasury, Economic Development, investments include (but are not limited to) the following:
- Working in partnership with other councils to improve energy efficiency and reducing energy costs for the local residents and small to medium-sized businesses in Sussex (including solar farms and solar panel installations)

- Third party loans and investments made for service purposes
  - Corporate estate improvements – including major development projects at Broadbridge Heath Park development and Horsham Enterprise Park, as well as tactical site improvement works to optimise usage and future options
- 7.3 Business cases for all schemes set out the economic or regeneration benefits for the community, together with the funding arrangements and all associated revenue costs (for instance the cost of borrowing) applicable to the schemes. Business cases demonstrate the ongoing stewardship, sustainability, affordability and benefits of any proposed project. Funding arrangements may include (but are not limited to) the following:
- Corporate borrowing when evidenced that any income return will first cover all associated revenue (capital financing) costs
  - Share capital in companies associated with the project(s)
  - Capital receipts generated by the project(s)
- 7.4 The Council acts prudently investing in Economic Development projects, including a rigorous evaluation of potential opportunities and risks against the principles outlined above. As a minimum, the Council discloses the assessment of Economic Developments and the associated capital financing costs over the life-cycle of the MTFS; but also as assessed over the longer-term (as set out in the Prudential Indicators – Annex 2(c) within the main budget report).
- 7.5 The Council’s Economic Development projects forecast to achieve a contribution net of capital financing costs (MRP and interest) of £1.6m in 2022/23 as shown in Table 3.

**Table 3: Financial performance of Commercial and Economic Development projects 2022/23**

<b>Commercial and Economic Development scheme type</b>	<b>Investment to date (i) £m</b>	<b>Capital financing costs £m</b>	<b>Forecast income £m</b>	<b>Net contribution £m</b>
Investment properties	35.029	1.262	1.960	0.698
Tangmere solar farm	7.306	n/a	0.500	0.500
All other solar & battery storage projects	23.315	1.191	1.600	0.409
<b>Total</b>	<b>66.650</b>	<b>2.453</b>	<b>4.060</b>	<b>1.607</b>

(i) As per the County Council’s 2020/21 audited Balance Sheet (Gross Book Value); plus forecast Capital Expenditure (Your Energy Sussex projects) in 2021/22.

## **8. Flexible Use of Capital Receipts Strategy 2022/23**

- 8.1 Since 2019/20, the Council has approved the flexibility to apply capital receipts to fund transformation projects as enabled by the Secretary of State’s Direction and outlined in the Government’s Statutory Guidance on the flexible use of capital receipts. Extension of the flexibility for a further three years was announced in the final settlement in February 2021 but the details on the



conditions for extending the flexibility beyond 31 March 2022 are still being finalised. For 2022/23, the Council proposes to use the flexibility to fund up to £10.0m of qualifying transformation expenditure. Potential qualifying expenditure is currently funded through the revenue budget or reserves such as the service transformation reserve. Should availability of suitable, qualifying projects and funding allow, the Council will consider adding projects it will fund through flexible use of capital receipts and this will be reported through the Performance and Resources Report (PRR).

- 8.2 The Council’s flexible use of capital receipts to fund transformation projects will continue to be subject to development and approval of robust business cases. The business cases will demonstrate that: the initiative will transform services, generate future savings or reduce future costs, and the costs being funded are implementation or set up costs and not on-going operational costs.

## 9. Risks

- 9.1 Preparation, financing and delivery of a multi-year capital programme involves a series of risks. Operational risk management is undertaken proportionately across the range of individual projects and programmes in the wider capital programme. Table 4 sets out the Capital Strategy risks and their mitigations.

**Table 4: Capital programme risks and mitigations**

Key Risk	Mitigations
Schemes taken forward do not support Our Council Plan objectives	<ul style="list-style-type: none"> <li>• Service Strategies and Asset Management Strategy aligned with Council Plan</li> <li>• Member engagement in Capital Strategy development and prioritising programme.</li> <li>• Member input, prioritisation and scrutiny ahead of County Council approval</li> </ul>
High priority scheme not reflected in plans	<ul style="list-style-type: none"> <li>• Yearly review of priorities with all Members</li> <li>• Governance allows changes to priorities in-year</li> </ul>
Availability of feasibility and other revenue funding constrains approved capital plans	<ul style="list-style-type: none"> <li>• Creation of Feasibility Reserve</li> <li>• Outline Business Cases to include feasibility funding requirement</li> <li>• Future programmes to be funded on basis of capital and revenue requirements</li> </ul>
Schemes’ total costs are above budget	<ul style="list-style-type: none"> <li>• Comprehensive viability/ feasibility studies undertaken before capital estimates are included in the funded programme</li> <li>• Budgets managed by SRO and programme sponsors within defined programmes</li> <li>• Change requests subject to governance control</li> </ul>
Lack of capacity prevents timely delivery of schemes	<ul style="list-style-type: none"> <li>• Use of multi-disciplinary consultancy (MDC) for professional services</li> <li>• Monthly highlight reports for timely identification and resolution of resource issues</li> </ul>
Unaffordability of financing costs in revenue budget	<ul style="list-style-type: none"> <li>• Preparation of Treasury Management Strategy</li> <li>• MTFS budgets reflect ongoing revenue costs of capital programme</li> </ul>

<b>Key Risk</b>	<b>Mitigations</b>
Economic Development schemes fail to generate an adequate revenue return	<ul style="list-style-type: none"> <li>• Rigorous evaluation and scrutiny of business cases before making investments</li> <li>• Regular monitoring of income against costs</li> </ul>
Expiry of time limited S106 contributions	<ul style="list-style-type: none"> <li>• Monitoring system in place to ensure contributions are spent within time period</li> </ul>
Spending is not in line with grant conditions (e.g. Local Growth Fund)	<ul style="list-style-type: none"> <li>• Monitoring of spending against agreed profiles and grant conditions</li> <li>• Negotiation with grant-awarding bodies where conditions may not be met</li> </ul>
Interest rate volatility regarding borrowing	<ul style="list-style-type: none"> <li>• Regular monitoring of interest rates</li> <li>• Use of external advisors</li> </ul>
Impact of shortage of supply of goods and labour on costs and timelines	<ul style="list-style-type: none"> <li>• Regular monitoring of projects</li> <li>• Creation of an additional contingency line to deal with inflation</li> </ul>
External market volatility and other external impact on delivery and financing	<ul style="list-style-type: none"> <li>• Regular monitoring and awareness</li> </ul>
Impact of water neutrality on planning and developments	<ul style="list-style-type: none"> <li>• Regular monitoring and awareness as projects are developed</li> </ul>

## **10. Knowledge and Training**

- 10.1 The Capital Programme Office provides advice and support to programme and project managers on an ongoing basis.
- 10.2 The Council uses professional advisory services as necessary in the preparation and delivery of its capital programme. For example, these include:
- Faithfull + Gould (multi-disciplinary consultant)
  - WSP (highways and public realm consultant)
  - Savills (property advisory services)
  - Montagu Evans (valuers)
  - Link (treasury management advisory)
- 10.3 CIPFA's Treasury Management Code of Practice requires that staff with responsibility for treasury management and property investment receive adequate training. Staff undertake regular professional training to ensure their skills are kept up to date. Future training needs are periodically reviewed as part of staff appraisals and personal development plans. Training options for officers include professional qualifications from CIPFA and other appropriate organisations; attendance at workshops and seminars run by the Council's appointed treasury management advisor; and on the job training.

## **Appendices**

Appendix A – Capital Programme Portfolio Pages

Appendix B – Minimum Revenue Provision (MRP) Statement 2022/23

Appendix C - Illustrative External Debt/Internal Borrowing Projections

Appendix D – Graphical Illustration of Debt Projections to March 2072

Appendix E – Flexible Use of Capital Receipts

**Background papers**

Statutory Guidance on the Flexible Use of Capital Receipts (updated)  
Department for Communities and Local Government, March 2016

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**CAPITAL PROGRAMME 2022/23 - 2026/27**

2021/22 £000	CAPITAL PROGRAMME (Expenditure)	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
5,134	Adults Services	127	801	1,855	4,000	4,400	0	11,183
1,874	Children and Young People	5,230	3,400	2,500	0	0	0	11,130
3,085	Community Support Fire and Rescue	9,725	22,069	4,539	7,152	4,006	0	47,491
4,957	Environment and Climate Change	4,034	14,803	22,050	22,280	28,000	0	91,167
7,357	Finance and Property	8,636	22,868	31,691	25,730	20,820	0	109,745
54,173	Highways and Transport	49,790	55,789	50,630	23,914	29,132	37,457	246,712
4,676	Leader	2,956	8,987	16,769	5,500	0	0	34,212
27,075	Learning and Skills	30,774	40,636	27,610	34,291	34,746	0	168,057
2,237	Support Services and Economic Development	9,106	15,597	7,339	3,000	1,000	0	36,042
<b>110,568</b>	<b>TOTAL CAPITAL PROGRAMME</b>	<b>120,378</b>	<b>184,950</b>	<b>164,983</b>	<b>125,867</b>	<b>122,104</b>	<b>37,457</b>	<b>755,739</b>

2021/22 £000	FINANCING	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
1,328	Capital Receipts	9,000	6,500	6,000	5,672	1,000	0	28,172
12,503	External Contributions including S106	5,697	11,632	12,000	7,901	8,175	33,215	78,620
13,981	Ringfenced Government Grant	3,510	7,791	9,150	1,200	1,300	4,242	27,193
72,969	Non-Ringfenced Government Grant	51,293	22,207	21,987	21,767	21,557	0	138,811
1,819	Revenue Contributions to Capital Outlay	2,255	532	2,808	3,032	2,532	0	11,159
1,934	Revenue Contribution to Capital Outlay – Business Rates Pilot	4,614	8,889	0	0	0	0	13,503
0	Core Borrowing	34,943	105,204	84,383	67,232	55,049	0	346,811
6,034	Economic Development Borrowing	9,066	22,195	28,655	19,063	32,491	0	111,470
<b>110,568</b>	<b>TOTAL PROGRAMME</b>	<b>120,378</b>	<b>184,950</b>	<b>164,983</b>	<b>125,867</b>	<b>122,104</b>	<b>37,457</b>	<b>755,739</b>

**CAPITAL PROGRAMME 2021/22**

FINANCED FROM	£000	£000	%
<b>External Sources and Service Portfolio Direct Funding</b>			
<b>Government Grants</b>			
Environment and Climate Change	100		
Highways and Transport	1,082		
Learning and Skills	2,328		
		3,510	2.92%
<b>External Contributions</b>			
Highways and Transport	2,734		
Learning and Skills	2,963		
		5,697	4.73%
<b>Total</b>		9,207	7.65%
<b>Corporate Funding</b>			
- Capital Receipts	9,000		
- Government Grant	51,293		
- Revenue Contributions to Capital Outlay	2,255		
- Revenue Contribution to Capital Outlay – Business Rates Pilot	4,614		
- Borrowing	44,009		
<b>Total Corporate Funding</b>		111,171	92.35%
<b>TOTAL CAPITAL PAYMENTS</b>		<b>120,378</b>	<b>100%</b>

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Adults Services

CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
NHS Transfer/A Place to Live - 38 Alinora Crescent	20	0	0	0	0	0	0	0
Westergate Extra Care	750	0	0	0	0	0	0	0
East Grinstead Extra Care Housing	240	0	0	0	0	0	0	0
Choices For The Future Part A	311	127	0	0	0	0	0	127
Choices For The Future Part B	3,813	0	0	0	0	0	0	0
<b>Total In-Flight Approved Projects</b>	<b>5,134</b>	<b>127</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>127</b>
<b>Proposed Projects*</b>								
Adults In-House Residential Services	0	0	456	1,000	3,000	4,400	0	8,856
NHS Capital Grants	0	0	345	855	1,000	0	0	2,200
<b>Total Proposed Starts List</b>	<b>0</b>	<b>0</b>	<b>801</b>	<b>1,855</b>	<b>4,000</b>	<b>4,400</b>	<b>0</b>	<b>11,056</b>
<b>TOTAL PROGRAMME</b>	<b>5,134</b>	<b>127</b>	<b>801</b>	<b>1,855</b>	<b>4,000</b>	<b>4,400</b>	<b>0</b>	<b>11,183</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
A Place to Live Grant	20	0	0	0	0	0	0	0
Department of Health Grant	750	0	0	0	0	0	0	0
NHS Capital Grant	0	0	345	400	0	0	0	745
Corporate Resources	4,364	127	456	1,455	4,000	4,400	0	10,438
<b>Total Funding</b>	<b>5,134</b>	<b>127</b>	<b>801</b>	<b>1,855</b>	<b>4,000</b>	<b>4,400</b>	<b>0</b>	<b>11,183</b>

\* All projects approved subject to business case

**Children and Young People**

**CAPITAL PROGRAMME 2022/23 to 2026/27**

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Cisbury Lodge (now Bright Star) Children's Home	0	202	0	0	0	0	0	202
Seaside (now Breakwater) Children's Home	56	170	0	0	0	0	0	170
May House (now Blue Cove) Children's Home	0	142	0	0	0	0	0	142
Brick Kiln	2	0	0	0	0	0	0	0
High Trees Children's Home	450	849	500	0	0	0	0	1,349
Orchard House Children's Home	1,097	2,086	1,000	0	0	0	0	3,086
Teasel Close Children's Home	213	668	200	0	0	0	0	868
East Preston Family Time Hub	56	0	0	0	0	0	0	0
<b>Total In-Flight Approved Projects</b>	<b>1,874</b>	<b>4,117</b>	<b>1,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,817</b>
<b>Proposed Projects*</b>								
Children's Social Care – Phase 2	0	713	0	0	0	0	0	713
Supervised contact – Maidenbower	0	200	800	0	0	0	0	1,000
Early Help	0	200	800	2,500	0	0	0	3,500
The House Project	0	0	100	0	0	0	0	100
<b>Total Proposed Starts List</b>	<b>0</b>	<b>1,113</b>	<b>1,700</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,313</b>
<b>TOTAL PROGRAMME</b>	<b>1,874</b>	<b>5,230</b>	<b>3,400</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,130</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Corporate Resources	1,874	5,230	3,400	2,500	0	0	0	11,130
<b>Total Funding</b>	<b>1,874</b>	<b>5,230</b>	<b>3,400</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,130</b>

\* All projects approved subject to business case

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**Community Support, Fire and Rescue**

**CAPITAL PROGRAMME 2022/23 to 2026/27**

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Fleet	500	1,500	2,892	0	0	0	0	<b>4,392</b>
Fire and Rescue Equipment	334	330	0	0	0	0	0	<b>330</b>
Live Training Centre and Horsham Fire Station	1,461	7,645	13,537	1,000	0	0	0	<b>22,182</b>
Worthing Community Hub	767	0	0	0	0	0	0	<b>0</b>
Self Service Library Terminals	23	0	0	0	0	0	0	<b>0</b>
Transformation Projects	0	0	825	0	0	0	0	<b>825</b>
Fire and Rescue Estate Improvements Programme	0	250	750	400	452	0	0	<b>1,852</b>
<b>Total In-Flight Approved Projects</b>	<b>3,085</b>	<b>9,725</b>	<b>18,004</b>	<b>1,400</b>	<b>452</b>	<b>0</b>	<b>0</b>	<b>29,581</b>
<b>Proposed Projects*</b>								
Electric Vehicles	0	0	0	0	0	100	0	<b>100</b>
Future Years Fire and Rescue Equipment	0	0	348	350	350	350	0	<b>1,398</b>
Future Years Fleet	0	0	2,067	1,289	5,350	3,556	0	<b>12,262</b>
Records Office	0	0	500	500	0	0	0	<b>1,000</b>
Fire and Rescue Estate Improvements Programme	0	0	1,150	1,000	1,000	0	0	<b>3,150</b>
<b>Total Proposed Starts List</b>	<b>0</b>	<b>0</b>	<b>4,065</b>	<b>3,139</b>	<b>6,700</b>	<b>4,006</b>	<b>0</b>	<b>17,910</b>
<b>TOTAL PROGRAMME</b>	<b>3,085</b>	<b>9,725</b>	<b>22,069</b>	<b>4,539</b>	<b>7,152</b>	<b>4,006</b>	<b>0</b>	<b>47,491</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Electric Vehicles Grant	0	0	0	0	0	100	0	<b>100</b>
Corporate Resources	3,085	9,725	22,069	4,539	7,152	3,906	0	<b>47,391</b>
<b>Total Funding</b>	<b>3,085</b>	<b>9,725</b>	<b>22,069</b>	<b>4,539</b>	<b>7,152</b>	<b>4,006</b>	<b>0</b>	<b>47,491</b>

\* All projects approved subject to business case



**Environment and Climate Change**

**CAPITAL PROGRAMME 2022/23 to 2026/27**

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
General After Care Works	49	0	27	0	0	0	0	27
Faygate	60	0	582	0	0	0	0	582
Carbon Reduction Programme	98	88	0	0	0	0	0	88
Fairbridge Waste Transfer Site - Japanese Knotweed Transformation Projects	309	0	0	0	0	0	0	0
Climate Change - Carbon Net Zero	28	0	0	0	0	0	0	0
Flood Management	1,000	500	3,000	3,000	2,500	0	0	9,000
Operation Watershed	192	100	114	0	0	0	0	214
Your Energy Sussex (YES) - Schools Solar PV Programme	300	500	104	0	0	0	0	604
Your Energy Sussex (YES) - Westhampnett Solar Farm	250	271	500	0	0	0	0	771
Your Energy Sussex (YES) - Various Schemes	42	0	0	0	0	0	0	0
Your Energy Sussex (YES) - Halewick Lane	75	128	0	0	0	0	0	128
Your Energy Sussex (YES) - Bird Protection	2,552	2,447	4,000	2,000	0	0	0	8,447
Your Energy Sussex (YES) - Bird Protection	2	0	0	0	0	0	0	0
<b>Total In-Flight Approved Projects</b>	<b>4,957</b>	<b>4,034</b>	<b>8,327</b>	<b>5,000</b>	<b>2,500</b>	<b>0</b>	<b>0</b>	<b>19,861</b>
Baystone Farm	0	0	0	550	0	0	0	550
Brookhurst Wood - Site HA	0	0	0	0	2,500	2,000	0	4,500
Faygate	0	0	0	0	780	0	0	780
Climate Change - Carbon Net Zero Top Up	0	0	1,000	2,000	3,000	4,000	0	10,000
Littlehampton Expansion/ Improvement	0	0	600	2,000	0	0	0	2,600
Chichester and Horsham Recycling Centre Improvements	0	0	1,300	2,000	3,000	2,500	0	8,800
Operation Watershed	0	0	500	500	500	500	0	2,000
YES - Solar Farms and Battery Storage	0	0	3,076	10,000	10,000	19,000	0	42,076
<b>Total Proposed Starts List</b>	<b>0</b>	<b>0</b>	<b>6,476</b>	<b>17,050</b>	<b>19,780</b>	<b>28,000</b>	<b>0</b>	<b>71,306</b>
<b>TOTAL PROGRAMME</b>	<b>4,957</b>	<b>4,034</b>	<b>14,803</b>	<b>22,050</b>	<b>22,280</b>	<b>28,000</b>	<b>0</b>	<b>91,167</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Corporate Resources	4,765	3,934	14,689	18,050	16,780	23,500	0	76,953
External Contributions including S106	0	0	114	4,000	3,000	2,500	0	9,614
Flood & Coastal Erosion Grant	192	100	0	0	0	0	0	100
Revenue Contribution to Capital Outlay (RCCO)	0	0	0	0	2,500	2,000	0	4,500
<b>Total Funding</b>	<b>4,957</b>	<b>4,034</b>	<b>14,803</b>	<b>22,050</b>	<b>22,280</b>	<b>28,000</b>	<b>0</b>	<b>91,167</b>

\* All projects approved subject to business case

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### Finance and Property

#### CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Structural Maintenance	2,781	3,025	0	0	0	0	0	3,025
Staff Capitalisation - Property	640	626	0	0	0	0	0	626
Gypsy and Travellers Improvements Programme	420	303	0	0	0	0	0	303
Crawley County Buildings Demolition	733	0	0	0	0	0	0	0
Targeted Minor Asset Improvement Plan (CLOG)	95	121	115	0	0	0	0	236
Chichester High School Demolition	542	0	0	0	0	0	0	0
Willow Park Departure	204	0	0	0	0	0	0	0
Accessibility Audit	200	256	500	500	600	0	0	1,856
Broadbridge Heath Park	740	3,500	7,605	4,000	0	0	0	15,105
Tangmere Track Repairs	90	0	0	0	0	0	0	0
Hop Oast Fencing	61	0	0	0	0	0	0	0
Orchard Street Development	0	0	106	0	0	0	0	106
Horsham Enterprise Park	851	230	165	165	165	100	0	825
Latent Defects	0	100	100	0	0	0	0	200
<b>Total In-Flight Approved Projects</b>	<b>7,357</b>	<b>8,161</b>	<b>8,591</b>	<b>4,665</b>	<b>765</b>	<b>100</b>	<b>0</b>	<b>22,282</b>
<b>Proposed Projects*</b>								
Capital Improvements Programme	0	475	2,685	9,674	10,500	9,400	0	32,734
Future Economic Developments	0	0	2,253	8,000	10,000	5,038	0	25,291
Future years Gypsy and Travellers Improvements Programme	0	0	400	300	300	300	0	1,300
Future Years Staff Capitalisation - Property	0	0	639	652	665	682	0	2,638
Future Years Structural Maintenance	0	0	2,300	2,300	1,000	2,300	0	7,900
Capital Maintenance Uplift	0	0	1,000	1,000	1,500	1,000	0	4,500
Joint Venture - Property	0	0	1,000	1,000	1,000	2,000	0	5,000
Corporate Contingency	0	0	3,500	3,500	0	0	0	7,000
Littlehampton County Buildings	0	0	500	600	0	0	0	1,100
<b>Total Proposed Starts List</b>	<b>0</b>	<b>475</b>	<b>14,277</b>	<b>27,026</b>	<b>24,965</b>	<b>20,720</b>	<b>0</b>	<b>87,463</b>
<b>TOTAL PROGRAMME</b>	<b>7,357</b>	<b>8,636</b>	<b>22,868</b>	<b>31,691</b>	<b>25,730</b>	<b>20,820</b>	<b>0</b>	<b>109,745</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Corporate Resources	6,815	8,636	22,868	31,691	25,730	20,820	0	109,745
Revenue Contributions to Capital Outlay	542	0	0	0	0	0	0	0
<b>Total Funding</b>	<b>7,357</b>	<b>8,636</b>	<b>22,868</b>	<b>31,691</b>	<b>25,730</b>	<b>20,820</b>	<b>0</b>	<b>109,745</b>

\* All projects approved subject to business case

Highways and Transport

CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Annual Works Programme	27,219	25,000	8,500	8,585	0	0	0	42,085
Highways Maintenance additional	0	1,600	5,300	6,300	3,900	3,900	0	21,000
A2300 Corridor Capacity Enhancement, Burgess Hill	7,316	2,172	0	0	0	0	0	2,172
A259 Corridor Capacity Enhancement, Arun	10,073	6,739	2,000	0	0	0	0	8,739
A259 Bognor to Littlehampton Corridor Enhancement, Arun	325	849	1,006	0	0	0	0	1,855
A284 Lyminster Bypass, Arun	2,276	8,348	11,017	6,415	0	0	0	25,780
A29 Re-alignment, Arun, Phase 1	500	1,000	5,989	2,000	0	0	0	8,989
Active Travel Fund	350	233	1,650	0	0	0	0	1,883
On Street Parking	27	0	0	100	398	0	0	498
RTPI Crawley	12	0	0	0	0	0	0	0
Shoreham Footbridge Replacement	21	0	0	0	0	0	0	0
Staff Capitalisation	1,934	1,359	0	0	0	0	0	1,359
West of Horsham	2,620	0	674	0	0	0	0	674
Street Lighting LED	1,500	2,490	3,490	3,490	3,398	6,353	0	19,221
<b>Total In-Flight Approved Projects</b>	<b>54,173</b>	<b>49,790</b>	<b>39,626</b>	<b>26,890</b>	<b>7,696</b>	<b>10,253</b>	<b>0</b>	<b>134,255</b>
<b>Proposed Projects*</b>								
A29 Re-alignment, Arun, Phase 1 (additional grant)	0	0	0	7,550	0	0	0	7,550
A29 Re-alignment, Arun, Phase 2	0	0	0	0	0	0	37,457	37,457
Haywards Heath South Road	0	0	0	0	0	2,625	0	2,625
Future Years Annual Works Programme	0	0	14,777	14,777	14,777	14,777	0	59,108
Future Years Staff Capitalisation	0	0	1,386	1,413	1,441	1,477	0	5,717
<b>Total Proposed Starts List</b>	<b>0</b>	<b>0</b>	<b>16,163</b>	<b>23,740</b>	<b>16,218</b>	<b>18,879</b>	<b>37,457</b>	<b>112,457</b>
<b>TOTAL PROGRAMME</b>	<b>54,173</b>	<b>49,790</b>	<b>55,789</b>	<b>50,630</b>	<b>23,914</b>	<b>29,132</b>	<b>37,457</b>	<b>246,712</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Local Enterprise Partnership (LEP) Grant	30	0	0	0	0	0	0	0
Local Maintenance and Transport Grant	20,899	20,899	14,777	14,777	14,777	14,777	0	80,007
Department for Transport A259 Bognor to Littlehampton	0	849	0	0	0	0	0	849
Department for Transport A284 Lyminster Bypass	3,000	0	0	7,550	0	0	4,242	11,792
Department for Transport A2300	4,156	0	0	0	0	0	0	0
Emergency Active Travel Fund	350	233	1,650	0	0	0	0	1,883
Corporate Resources	15,951	23,352	34,825	26,027	9,137	11,730	0	105,071
Revenue Contributions to Capital Outlay	745	1,723	0	2,276	0	0	0	3,999
External Contributions	9,042	2,734	4,537	0	0	2,625	33,215	43,111
<b>Total Funding</b>	<b>54,173</b>	<b>49,790</b>	<b>55,789</b>	<b>50,630</b>	<b>23,914</b>	<b>29,132</b>	<b>37,457</b>	<b>246,712</b>

\* All projects approved subject to business case

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Leader

CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Crawley Growth Programme	3,187	1,656	2,500	1,000	0	0	0	5,156
Worthing Public Realm	804	1,000	1,300	0	0	0	0	2,300
Burgess Hill Growth Programme	666	0	0	0	0	0	0	0
Bold Ideas - Creative Bognor	19	0	0	0	0	0	0	0
<b>Total In-Flight Approved Projects</b>	<b>4,676</b>	<b>2,656</b>	<b>3,800</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,456</b>
<b>Proposed Projects*</b>								
Burgess Hill Growth Programme	0	0	1,102	5,985	2,000	0	0	9,087
Crawley Growth Programme	0	0	1,585	6,965	2,500	0	0	11,050
Worthing Public Realm	0	0	1,000	619	0	0	0	1,619
Growth Programme	0	300	1,500	2,200	1,000	0	0	5,000
<b>Total Proposed Starts List</b>	<b>0</b>	<b>300</b>	<b>5,187</b>	<b>15,769</b>	<b>5,500</b>	<b>0</b>	<b>0</b>	<b>26,756</b>
<b>TOTAL PROGRAMME</b>	<b>4,676</b>	<b>2,956</b>	<b>8,987</b>	<b>16,769</b>	<b>5,500</b>	<b>0</b>	<b>0</b>	<b>34,212</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Local Enterprise Partnership (LEP) Grant	707	0	0	0	0	0	0	0
Corporate Resources	3,969	2,956	6,300	13,769	5,500	0	0	28,525
External Contributions	0	0	2,687	3,000	0	0	0	5,687
<b>Total Funding</b>	<b>4,676</b>	<b>2,956</b>	<b>8,987</b>	<b>16,769</b>	<b>5,500</b>	<b>0</b>	<b>0</b>	<b>34,212</b>

\* All projects approved subject to business case

Learning and Skills

CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							Subsequent £000	Total £000
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2026/27 £000		
<b>In-Flight Projects</b>									
Basic Need Programme	5,328	1,549	1,646	0	0	0	0	0	3,195
Special Educational Needs & Disability Programme	4,746	1,238	900	0	0	0	0	0	2,138
All Weather Pitches	340	1,392	94	0	0	0	0	0	1,486
Schools Access Initiative	208	250	0	0	0	0	0	0	250
Community Schools Capital Maintenance Grant	9,770	9,030	1,200	0	0	0	0	0	10,230
Devolved Formula Capital Grant	1,200	1,200	0	0	0	0	0	0	1,200
Safeguarding in schools	4	0	0	0	0	0	0	0	0
Woodlands Mead College	2,807	12,544	5,660	0	0	0	0	0	18,204
Section 106 Bohunt	0	0	3,000	3,000	3,401	3,000	0	0	12,401
Section 106 Infrastructure Programme	1,668	799	1,000	2,000	1,500	0	0	0	5,299
Section 106 FFE & IT	404	0	0	0	0	0	0	0	0
Section 106 Steyning	600	772	200	0	0	0	0	0	972
<b>Total In-Flight Approved Projects</b>	<b>27,075</b>	<b>28,774</b>	<b>13,700</b>	<b>5,000</b>	<b>4,901</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>55,375</b>
<b>Proposed Projects*</b>									
Future Years Basic Need	0	1,000	7,524	11,000	15,000	17,546	0	0	52,070
Future Years Capital Maintenance	0	0	7,430	7,210	6,990	6,780	0	0	28,410
Future Years Devolved Formula Capital Grant	0	0	1,200	1,200	1,200	1,200	0	0	4,800
Schools Capital Maintenance Block (Additional)	0	0	200	200	200	170	0	0	770
SEND Development Programme	0	500	6,082	0	0	0	0	0	6,582
Special School Sufficiency	0	500	4,500	3,000	6,000	6,000	0	0	20,000
Titnore Lane - Land	0	0	0	0	0	50	0	0	50
<b>Total Proposed Starts List</b>	<b>0</b>	<b>2,000</b>	<b>26,936</b>	<b>22,610</b>	<b>29,390</b>	<b>31,746</b>	<b>0</b>	<b>0</b>	<b>112,682</b>
<b>TOTAL PROGRAMME</b>	<b>27,075</b>	<b>30,774</b>	<b>40,636</b>	<b>27,610</b>	<b>34,291</b>	<b>34,746</b>	<b>0</b>	<b>0</b>	<b>168,057</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>	
<b>Sources of Funding</b>									
Basic Need Grant	5,328	2,549	11,041	11,000	15,000	17,546	0	57,136	
Capital Maintenance Grant	9,770	9,030	8,630	7,210	6,990	6,780	0	38,640	
Devolved Formula Capital Grant	1,200	1,200	1,200	1,200	1,200	1,200	0	6,000	
Special Educational Needs & Disability Grant (SEND)	3,576	1,128	4,096	0	0	0	0	5,224	
Corporate Resources	3,740	13,904	11,375	3,200	6,200	6,170	0	40,849	
External Contributions	3,461	2,963	4,294	5,000	4,901	3,050	0	20,208	
<b>Total Funding</b>	<b>27,075</b>	<b>30,774</b>	<b>40,636</b>	<b>27,610</b>	<b>34,291</b>	<b>34,746</b>	<b>0</b>	<b>168,057</b>	

\* All projects approved subject to business case

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**Support Services and Economic Development**

CAPITAL PROGRAMME 2022/23 to 2026/27

Project	Approved Budget Profiled							
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Subsequent £000	Total £000
<b>In-Flight Projects</b>								
Converged Fibre	884	208	0	0	0	0	0	208
Transformation Projects	300	4,000	4,508	6,339	2,000	0	0	16,847
Gigabit Voucher Scheme 1	800	1,047	1,000	0	0	0	0	2,047
Gigabit Voucher Scheme 2	250	1,600	1,000	0	0	0	0	2,600
District and Borough Council Gigabit Projects	0	1,951	3,689	0	0	0	0	5,640
Gigabit	3	0	0	0	0	0	0	0
Investment in Technology	0	300	0	0	0	0	0	300
<b>Total In-Flight Approved Projects</b>	<b>2,237</b>	<b>9,106</b>	<b>10,197</b>	<b>6,339</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>27,642</b>
<b>Proposed Projects*</b>								
Digital Infrastructure (Business Rates Pilot)	0	0	1,030	0	0	0	0	1,030
Rural Connectivity (Business Rates Pilot)	0	0	2,170	0	0	0	0	2,170
Connected Places - WIFI	0	0	500	0	0	0	0	500
Future Years Investment in Technology	0	0	1,700	1,000	1,000	1,000	0	4,700
<b>Total Proposed Starts List</b>	<b>0</b>	<b>0</b>	<b>5,400</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	<b>8,400</b>
<b>TOTAL PROGRAMME</b>	<b>2,237</b>	<b>9,106</b>	<b>15,597</b>	<b>7,339</b>	<b>3,000</b>	<b>1,000</b>	<b>0</b>	<b>36,042</b>
<b>Financing</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>Subsequent £000</b>	<b>Total £000</b>
<b>Sources of Funding</b>								
Corporate Resources	303	4,492	6,208	7,339	3,000	1,000	0	22,039
Economic Recovery Fund Grant	0	0	500	0	0	0	0	500
External Contributions	0	0	0	0	0	0	0	0
Revenue Contribution to Capital Outlay - Business Rates Pilot	1,934	4,614	8,889	0	0	0	0	13,503
<b>Total Funding</b>	<b>2,237</b>	<b>9,106</b>	<b>15,597</b>	<b>7,339</b>	<b>3,000</b>	<b>1,000</b>	<b>0</b>	<b>36,042</b>

\* All projects approved subject to business case

## **Minimum Revenue Provision (MRP) Statement – 2022/23**

1. In accordance with the Local Authorities (Capital and Accounting) (England) Regulations 2003, the Council is required to make an annual contribution from revenue to repay long-term borrowing, namely its 'Minimum Revenue Provision (MRP)'. The 2008 amendment to these regulations gives local authorities the flexibility to set MRP at a level it considers to be prudent.
2. The Department for Levelling Up, Housing and Communities (DLUHC), issued statutory guidance (updated 2018) on determining a prudent level of MRP, which presents four ready-made options for the calculation, but makes clear that other methodologies are permissible. The guidance distinguishes between historic capital expenditure notionally supported by central government through the provision of Revenue Support Grant ('supported borrowing'), and self-financed 'unsupported' borrowing. Transitory provisions of the DLUHC guidance permit the treatment of any self-financed borrowing prior to 1 April 2008 as supported for the purposes of the MRP calculation.
3. The Council has adopted the Asset Life Annuity method (DLUHC option 3b) for the calculation of MRP on unsupported borrowing. Under this approach, the Council fully expenses to the General Fund the cost of the asset initially financed through borrowing over a period equal to the useful life of that asset. Annuity rates are linked to rates published by the Public Works Loans Board (PWLB). MRP on outstanding supported borrowing is made on a 2% annuity basis over a 40-year period.
4. Private Finance Initiatives and leases may be arranged to finance the acquisition of non-current assets as an alternative to borrowing where this is financially or operationally advantageous and is in accordance with the strategy for the capital programme. In line with DLUHC guidance and to mitigate the impact of the move to International Financial Reporting Standards (IFRS) on the Council's revenue account, it is the policy of West Sussex County Council to make an annual MRP charge equal to the portion of the PFI unitary charge or lease payment taken to the Balance Sheet to reduce the liability. However, where a lease premium is made (and immediately taken to write down the Balance Sheet liability), the Council shall spread the MRP charge over the useful life of the asset.

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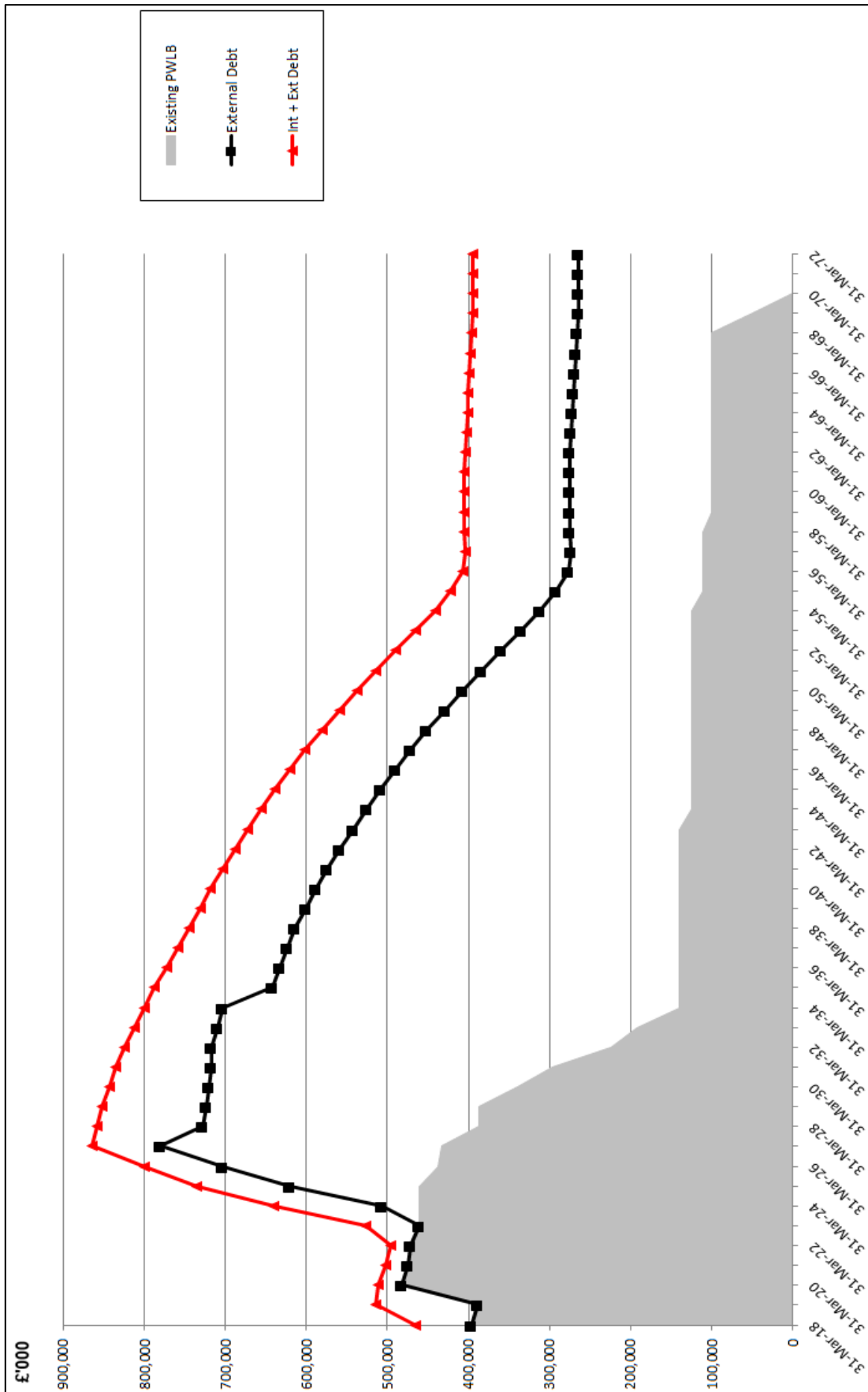
**Illustrative External Debt/Internal Borrowing Projections**  
(Excluding short-term borrowing from the Chichester Harbour Conservancy)

Year Ending	Existing PWLB Debt £'m	Core Borrowing (New) £'m	Other Borrowing (New) £'m	New Borrowing (Total) £'m	Internal Borrowing £'m	Total Borrowing £'m
31 March 2021	474.8	0.0	0.0	0.0	27.6	502.4
31 March 2022	471.3	0.0	0.0	0.0	24.3	495.6
31 March 2023	461.3	0.0	0.0	0.0	65.4	526.7
31 March 2024	461.3	0.0	44.7	44.7	133.8	639.8
31 March 2025	461.3	22.0	136.5	158.5	115.1	734.9
31 March 2026	437.2	113.1	152.3	265.4	97.4	800.0
31 March 2027	432.5	166.7	181.0	347.7	84.2	864.4
31 March 2028	386.4	165.5	176.3	341.8	130.3	858.5
31 March 2029	386.4	165.7	171.5	337.2	127.9	851.5
31 March 2030	339.2	214.3	166.6	380.9	123.4	843.5
31 March 2031	295.9	258.7	161.6	420.3	118.2	834.4
31 March 2032	224.8	335.0	156.5	491.5	107.8	824.1
31 March 2033	192.2	366.4	151.2	517.6	102.8	812.6
31 March 2034	140.0	416.7	145.9	562.6	97.7	800.3
31 March 2035	140.0	361.6	140.4	502.0	144.8	786.8
31 March 2036	140.0	357.4	134.9	492.3	139.8	772.1
31 March 2037	140.0	354.1	129.2	483.3	134.7	758.0
31 March 2038	140.0	351.2	123.3	474.5	130.0	744.5
31 March 2039	140.0	343.7	117.3	461.0	130.0	731.0
31 March 2040	140.0	336.6	111.3	447.9	130.0	717.9
31 March 2041	140.0	328.6	105.1	433.7	130.0	703.7
31 March 2042	140.0	319.7	98.8	418.5	130.0	688.5
31 March 2043	140.0	309.7	92.6	402.3	130.0	672.3
31 March 2044	125.0	314.2	86.3	400.5	130.0	655.5
31 March 2045	125.0	302.9	80.7	383.6	130.0	638.6
31 March 2046	125.0	290.4	75.1	365.5	130.0	620.5
31 March 2047	125.0	276.9	69.3	346.2	130.0	601.2
31 March 2048	125.0	262.2	63.5	325.7	130.0	580.7
31 March 2049	125.0	246.4	57.5	303.9	130.0	558.9
31 March 2050	125.0	230.8	51.4	282.2	130.0	537.2
31 March 2051	125.0	214.0	45.2	259.2	130.0	514.2
31 March 2052	125.0	196.0	39.0	235.0	130.0	490.0
31 March 2053	125.0	176.9	33.1	210.0	130.0	465.0
31 March 2054	125.0	158.6	27.6	186.2	130.0	441.2
31 March 2055	110.0	158.9	23.0	181.9	130.0	421.9
31 March 2056	110.0	146.9	19.5	166.4	130.0	406.4
31 March 2057	110.0	147.3	16.8	164.1	130.0	404.1
31 March 2058	110.0	149.4	15.5	164.9	130.0	404.9
31 March 2059	100.0	160.6	14.3	174.9	130.0	404.9
31 March 2060	100.0	162.1	13.0	175.1	130.0	405.1
31 March 2061	100.0	163.3	11.6	174.9	130.0	404.9
31 March 2062	100.0	164.1	10.3	174.4	130.0	404.4
31 March 2063	100.0	164.1	8.9	173.0	130.0	403.0
31 March 2064	100.0	164.1	7.4	171.5	130.0	401.5
31 March 2065	100.0	164.1	6.0	170.1	130.0	400.1
31 March 2066	100.0	164.1	4.5	168.6	130.0	398.6
31 March 2067	100.0	164.1	3.0	167.1	130.0	397.1

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Year Ending	Existing PWL Debt £'m	Core Borrowing (New) £'m	Other Borrowing (New) £'m	New Borrowing (Total) £'m	Internal Borrowing £'m	Total Borrowing £'m
31 March 2068	100.0	164.1	1.7	165.8	130.0	395.8
31 March 2069	50.0	214.1	0.3	214.4	130.0	394.4
31 March 2070	0.0	264.1	0.2	264.3	130.0	394.3
31 March 2071	0.0	264.1	0.1	264.2	130.0	394.2
31 March 2072	0.0	264.1	0.0	264.1	130.0	394.1

### Graphical Illustrative of Debt Projections to 31 March 2072



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## 1. Projects to be funded from flexible use of capital receipts

1.1 The Council intends to apply £4.0m capital receipts in 2022/23 to fund the following transformation projects.

<b>Project description</b>	<b>Qualifying expenditure</b>	<b>Budgeted expenditure £m</b>	<b>Expected Savings *</b>
Smartcore	Investment in transformational project that supports HR, Procurement and Finance processes to enable automation and improved efficiency	2.5	Efficiencies and savings through improved processes, automation and enabling more tasks to be undertaken via self-service
Waste Service Transformation	Continuation of initiatives with the district and boroughs to incentivise recycling (rephased due to Covid restrictions)	1.5	Reductions in demand pressure and contract efficiencies to achieve savings in 2023-2025
<b>Total</b>		<b>4.0</b>	

\*In most instances the ongoing savings do not depend solely on this investment. Delivering the forecast savings will also require the focus of other, existing resources.

1.2 Expenditure on further activities to which the Council could potentially apply flexible use of capital receipts include the following:

- Any further work to support the transition of information technology services to the new provision model and the transfer of the remainder of support services ahead of the contract end in September 2022. The expenditure would be to enable efficiencies and achieve savings.
- Any further investment on Children First Improvement Programme to transform the service for improved practice, efficiency and effectiveness.

## 2. Impact on affordability of Prudential Borrowing

2.1 The incremental impact on the County Council's Prudential Indicators of £4.0m additional Capital Expenditure in 2022/23 due to its Flexible use of Capital Receipts Strategy is as follows.

<b>Prudential Indicators</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>
Capital Financing Requirement	+£4.0m	-£0.1m	-£0.1m	-£0.1m	-£0.1m
Operational Boundary	-	+£3.9m	-£0.1m	-£0.1m	-£0.1m
Authorised Borrowing Limit	+£3.8m	-£0.1m	-£0.1m	-	-

## 3. Flexible Use of Capital Receipts – Status on Projects relating to Expenditure in 2020/21

3.1 In 2020/21, WSCC has incurred £1.2m qualifying expenditure on activities within the Fire and Rescue Improvement Plan project. This plan is to address weaknesses identified in HM Inspectorate of Constabulary and Fire and Rescue Services' (HMICFRS) 2019 inspection report. The Fire and Rescue Improvement Plan project is designed to transform WSCC's Fire and Rescue Service (WSFRS). In doing so, it will reduce demand on the service and other public sector partner bodies.

3.2 The third HMICFRS service re-inspection report carried out in February 2021 acknowledged the WSFRS's Fire and Rescue Improvement Plan project has made tangible progress. Full detail on how the service has addressed the four areas of concern can be found in the issued letter A, however the inspectorate concluded that:

- The amount of improvement work and change in the service continues to be significant. Since our last revisit, extra funding has been used to create an appropriately skilled and dedicated programme management team, which has since evolved into the organisational assurance and governance team. This has brought an increased level of co-ordination and supports organisation-wide improvement.
- The service has used the extra funding from West Sussex County Council to increase capacity in its prevention and protection teams. This has contributed to the improvements that are being made.

3.3 The increased capacity in prevention and protection teams has been used to improve how resources are targeted towards risk and quality assurance processes. The new IT system is supporting these improvements, and there are plans for further progress when the system is fully operational.

## Treasury Management Strategy Statement (2022/23)

### 1. Background

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as:

*"The management of the County Council's borrowing, investments and cash flows, including 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."*

- 1.2 In accordance with the CIPFA definition, the County Council's treasury management function aims to manage risk; the successful identification, control and monitoring of risk are integral elements to treasury management activities and include credit and counterparty risk, liquidity risk, market and interest rate risk, refinancing risk, and legal and regulatory risk.
- 1.3 The County Council is required to operate a balanced budget which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties, financial instruments, or externally managed pooled funds commensurate with the County Council's risk appetite, providing adequate liquidity initially before considering investment return.
- 1.4 The second main function of the treasury management service is to facilitate the funding of the County Council's capital plans. These capital plans provide a guide to the borrowing need of the authority, essentially the longer term cash flow planning, to ensure the County Council can meet its capital spending requirements. The management of longer term cash may involve the arrangement of long and/or short term loans (external borrowing) or may use longer term cash flow surpluses in lieu of external borrowing (internal borrowing). On occasion, when it is prudent and economic, any external debt previously drawn may be repaid and/or restructured to meet the County Council's risk or cost objectives.
- 1.5 The contribution the treasury management function makes to the County Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The resulting treasury operations generate interest costs in relation to external debt and income arising from investments, both of which affecting the available revenue budget. Furthermore, since cash balances generally arise from the County Council's earmarked reserves and working balances, it remains paramount to ensure adequate security of the sums invested, as any loss of principal will in effect result in a loss to the General Fund Balance.
- 1.6 Additionally, the County Council's economic development projects or loans to third parties will impact on the treasury function; these activities are generally classed as non-treasury investments (usually arising from capital expenditure) and are separate from the day-to-day treasury management activities. Further details are set out in the annual Capital Strategy report (see Section 2).

## 2. Reporting Requirements

2.1 CIPFA published the updated Treasury Management and Prudential Codes on 20 December 2021. CIPFA has stated that there will be a soft introduction of the codes with local authorities not being expected to have to change their current Treasury Management Strategy reports for 2022/23. However, resulting treasury activity in 2022/23 should have regard to the new Codes of Practice with full implementation required for 2023/24.

2.2 **Capital Strategy:** CIPFA's Prudential and Treasury Management Codes (2017 Editions) require all local authorities to prepare a separate Capital Strategy report which provides the following:

- A high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- An overview of how the associated risk is managed; and
- The implications for future financial sustainability.

2.3 The aim of the Capital Strategy is to ensure that all elected members of the County Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. The Capital Strategy is reported alongside the Budget Report and the Treasury Management Strategy Statement for County Council approval. Details of the County Council's borrowing needs arising from the capital plans along with associated Prudential Indicators are also set out in the Capital Strategy.

2.4 Non-treasury investments will be reported through the Capital Strategy. This ensures the separation of the core treasury management function for investments made under statutory provisions granted to the County Council under the Local Government Act 2003 (governed by security, liquidity, and yield principles) from the County Council's commercialism policies where investments are usually driven by expenditure on an asset. To demonstrate proportionality between the County Council's treasury management operations and non-treasury (economic developments) high-level comparators are shown in Sections 5 and 6 of this report.

2.5 **Treasury Management Reporting:** In accordance with CIPFA's Treasury Management Code of Practice (2017 Edition), the County Council is currently required to receive and approve, as a minimum, three main reports each year, which incorporates a variety of policies, estimates and actuals, including:

- (a) The Treasury Management Strategy Statement (TMSS) detailing how the County Council's investments and borrowings are to be organised; including the annual investment strategy which approves the parameters on how treasury investments are to be managed. Details of the County Council's capital plans (including relevant prudential indicators) and the Minimum Revenue Provision (MRP) policy (how residual capital expenditure is charged to revenue over time) are set out in the County Council's Capital Strategy.
- (b) A Mid-Year Treasury Management Report – Updating the County Council with the progress of the capital position, treasury management activity and performance, and whether any policies and/or prudential and treasury



indicators require revision; delegated to the Performance and Finance Scrutiny Committee in accordance with governance arrangements approved in February 2014. Additionally, the Regulation, Audit and Accounts Committee receive quarterly reports on compliance with the treasury management strategy.

- (c) An Annual Treasury Management Report – Scrutiny of the annual treasury management report is delegated to the Performance and Finance Scrutiny Committee; as approved by County Council in July 2018.

- 2.6 Before recommendation to County Council, the TMSS report receives appropriate scrutiny from the Performance and Finance Scrutiny Committee. In addition, the County Council maintains a Treasury Management Panel comprising the Cabinet Member for Finance and four other elected members. The Panel functions as an advisory body supporting the Director of Finance and Support Services in implementing the County Council's borrowing and investment strategies and reviewing all treasury management reports.
- 2.7 Treasury management issues reported within the attached 2022/23 TMSS include the County Council's:

**Capital Issues:**

- A summary of capital expenditure plans up to 31 March 2027; and
- Associated capital financing plans, including forecasts of the County Council's future borrowing requirement.

**Treasury Management Issues:**

- Current treasury position (**attached at Appendix A**);
  - Treasury indicators which limit the treasury risk and activities of the County Council;
  - Prospects for interest rates as provided by the County Council's treasury management advisor (**attached at Appendix B**);
  - The borrowing and repayment strategy;
  - Policy on borrowing in advance of need;
  - Debt rescheduling;
  - The investment strategy;
  - Creditworthiness policy; and
  - Policy on the use of external service providers.
- 2.8 These elements cover the requirements of the Local Government Act 2003; CIPFA's Prudential and Treasury Management Codes; and the Department for Levelling Up, Housing and Communities (DLUHC) Investment Guidance.

**3. Training**

- 3.1 CIPFA's Code of Practice requires the Director of Finance and Support Services to ensure that members involved with treasury management receive adequate training. Following County Council elections in May 2021, the training of members with responsibilities for the scrutiny of the County Council's treasury management policies and activities (including Treasury Management Panel members) was provided by the County Council's treasury management advisor

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in June 2021. Further training requirements will remain under constant review.

- 3.2 Additionally, the training needs of treasury management officers are periodically reviewed as part of staff appraisals and personal development plans and officers attended and received relevant training during the year. Ongoing training options for officers include professional qualifications from CIPFA and other appropriate organisations; attendance at workshops and seminars run by the County Council's appointed treasury management advisor; and on the job training in line with the approved Treasury Management Practices (TMPs) as provided by the Principal Finance Officer (Treasury Management & Insurance).

#### **4. Treasury Management Advisors**

- 4.1 The County Council contracts external providers of treasury management services in order to acquire access to a wide range of specialist skills and resources including:

- Credit advice;
- Investment advice;
- Debt management advice;
- Capital and financial accounting advice; and
- Economic and interest rate forecasting.

- 4.2 The County Council recognises that the responsibility for all treasury management decisions always remain with the organisation and therefore will ensure that undue reliance is not placed upon its external service providers. Treasury management decisions will be undertaken with regards to all available information including, but not solely, that received from treasury advisors.

- 4.3 The County Council will ensure that the terms of the appointment of external treasury management advisors and the methods by which their value will be assessed are properly agreed and documented, and subject to regular review. Following a review of existing services provided, a new three year contract with Link Group (Treasury Solutions) commenced on 1 November 2021; with the County Council having the option to extend for an additional two years following ongoing review of the services provided over the initial contractual period.

#### **5. Capital Programme (2022/23 to 2026/27)**

- 5.1 The County Council's capital expenditure and financing plans as contained within the approved Capital Programme set out in the Capital Strategy are key drivers of treasury management activity. The output of the Capital Programme is reflected in the County Council's prudential indicators (which are included within the Capital Strategy) which are designed to provide members with an overview and confirm such expenditure and financing plans are both affordable and prudent.
- 5.2 The table below is a summary of the County Council's capital expenditure plans, both those agreed previously and those forming part of the current budget cycle for approval by County Council in February 2022:

<b>Capital Expenditure by Service</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Est. (i) £'m</b>
Adults Services	5.1	0.1	0.8	1.9	4.0	4.4
Children and Young People	1.9	5.2	3.4	2.5	0.0	0.0
Community Support Fire and Recue	3.1	9.7	22.1	4.5	7.2	4.0
Environment and Climate Change	4.9	4.0	14.8	22.1	22.3	28.0
Finance and Property	7.4	8.6	22.9	31.7	25.7	20.8
Highways and Transport	54.2	49.8	55.8	50.6	23.9	66.6
Leader	4.7	3.0	8.9	16.8	5.5	0.0
Learning and Skills	27.0	30.9	40.6	27.6	34.3	34.7
Support Services and Economic Development	2.3	9.1	15.6	7.3	3.0	1.0
<b>Total Capital Expenditure</b>	<b>110.6</b>	<b>120.4</b>	<b>184.9</b>	<b>165.0</b>	<b>125.9</b>	<b>159.5</b>

(i) 2026/27 estimate includes subsequent years spend.

- 5.3 Capital expenditure as reported above may be financed from a range of external and internal sources. External sources include private sector contributions (such as s106 developer contributions) as well as government grants; internal sources include capital receipts, revenue contributions and reserves set aside for capital purposes.
- 5.4 Borrowing is required to meet the cost of any capital expenditure not financed by internal and/or external funding sources. The table below summarises how the County Council's capital expenditure plans will be financed across the period through to 2026/27, with any funding shortfall resulting in a borrowing requirement:

<b>Financing the Capital Programme</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
<b>Capital Expenditure</b>	<b>110.6</b>	<b>120.4</b>	<b>184.9</b>	<b>165.0</b>	<b>125.9</b>	<b>159.5</b>
Government Grants	-87.0	-54.8	-30.0	-31.1	-23.0	-27.1
External Contributions	-12.5	-5.7	-11.6	-12.0	-7.9	-41.4
Capital Receipts	-1.3	-9.0	-6.5	-6.0	-5.7	-1.0
Revenue Funding	-3.8	-6.9	-9.4	-2.8	-3.0	-2.5
<b>Financing (Excl. Borrowing)</b>	<b>-104.6</b>	<b>-76.4</b>	<b>-57.5</b>	<b>-51.9</b>	<b>-39.6</b>	<b>-72.0</b>
Borrowing (Core)	0.0	-35.0	-105.2	-84.4	-67.2	-55.0
Borrowing (Economic Developments)	-6.0	-9.0	-22.2	-28.7	-19.1	-32.5
<b>Total Financing</b>	<b>-110.6</b>	<b>-120.4</b>	<b>-184.9</b>	<b>-165.0</b>	<b>-125.9</b>	<b>-159.5</b>

5.5 The above financing table excludes other long-term liabilities, such as existing PFI schemes (Crawley Schools; Street Lighting and Waste Management) and leasing arrangements which already include borrowing instruments within their contractual terms; and so the County Council is not required to separately borrow for them.

## 6. Borrowing and Repayment Strategy

6.1 The capital expenditure plans set out in Section 5 provide details of the service activity of the County Council. The treasury management function ensures that cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the County Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities.

6.2 The borrowing strategy covers the relevant prudential and treasury indicators, and the current and projected debt positions. The key objectives of the Council's current borrowing strategy are:

- (1) Ensure that future external debt is affordable within revenue budget constraints; with the timing of when to arrange new debt governed by the County Council's long-term cash flow forecasts (as per the requirements of the capital plans through to 2026/27); and
- (2) Potentially borrowing in advance of need so that external debt (fixed-rate funding) is arranged whilst interest rates are lower than they are projected to be over the next few years.

- 6.3 For all new external debt arrangements, the County Council will first ensure that due diligence is given to both the affordability of such debt in the revenue budget and the future plans regarding the repayment of the debt. This will include consideration of the agreed terms and conditions of any new debt; including 'annuity' and 'equal instalments of principal' loan structures.
- 6.4 Additionally, in accordance with CIPFA's Codes of Practice, decisions on new debt arrangements and repayment of existing debt will include an appraisal of the possible use of capital receipts and/or proceeds from the sale of long-term commercial investments (including long-term externally managed pooled funds) should this be the most financially viable option, as the approved funding source.
- 6.5 **Approved Funding Sources:** The County Council's primary objective when borrowing money is to strike an appropriately low risk balance between securing low interest borrowing costs whilst achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the County Council's long-term capital plans change is a secondary objective.
- 6.6 There is no counterparty risk associated with borrowing, except that associated with money laundering. In conjunction with advice received from its treasury management advisor the County Council will keep under review the following fixed or variable rate long-term and short-term (in lieu of long-term) borrowing options as sources of finance for the approved capital programme, including:
- Borrowing against internal resources held by the County Council (including usable reserves and working capital) in lieu of external borrowing;
  - Public Works Loan Board (PWLB) and any successor body;
  - Borrowing from other UK local authorities (particularly regarding borrowing for Economic Developments on a short-term basis);
  - Borrowing from the money markets (institutional lenders authorised by the Prudential Regulation Authority and/or the Financial Conduct Authority to operate in the UK);
  - Borrowing from multilateral development banks; and
  - Borrowing from the UK Municipal Bond Agency plc and/or other special purpose companies created to enable local authority bond issue.
- 6.7 The County Council has previously relied on the PWLB as its only source of funding, with approved alternative market borrowing options (including forward starting loans and bond issuance via the UK Municipal Bond Agency) being held under consideration. The Director of Finance and Support Services will continue to assess the benefits of approved market loan alternatives during 2022/23. Capital finance may additionally be raised by other methods that are not borrowing but may be classed as other debt liabilities (including leasing).
- 6.8 In accordance with the outcomes of HM Treasury's PWLB review during 2020/21 (that aims to ensure that local authorities invest public funds in infrastructure and front-line services only) all new PWLB borrowing will be conditional on the County Council demonstrating that over the period of the capital programme there will be no intention to buy investment assets primarily for yield (for example the purchase of investment property) irrespective of whether the transaction would be financed from a source other than the PWLB. The County Council confirms that capital plans have been reviewed and are compliant with

these PWLB requirements.

- 6.9 **Current Portfolio Position:** On 31 December 2021 the County Council had external loans with the PWLB totalling £471.3m. In accordance with the approved 2021/22 Treasury Management Strategy no external borrowing was arranged during the period April to December 2021; cash supporting the County Council's usable reserves and working capital was used as a temporary funding measure in lieu of external borrowing. Consequently, the County Council's internal borrowing at the end of 2021/22 is forecast to be £24.3m (£27.6m on 31 March 2021) as set out in paragraphs 6.12 and 6.13.
- 6.10 Capital plans (paragraph 5.4) highlight that a borrowing requirement of £44m is required to finance the County Council's capital expenditure in 2022/23; of which £9.0m relates to economic development projects.
- 6.11 In accordance with CIPFA's Prudential Code, the County Council's underlying borrowing need (the total historic outstanding capital expenditure which has not yet been financed) is represented by its Capital Financing Requirement (CFR). Additional, capital expenditure financed through debt is subject to a minimum revenue provision charge (the Minimum Revenue Policy) which is set out in the Capital Strategy.
- 6.12 An analysis of the County Council's levels of usable reserve and working balances show these are likely to be sufficient to continue with an internal borrowing strategy throughout 2022/23, with the need to externally borrow for the capital programme from 2023/24 onwards. The table below details the estimates of these year-end balances through to 2026/27, assuming no new additional external debt or optional refinancing of existing debt is arranged:

<b>Balance Sheet Projections (on 31 March)</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
Capital Financing Requirement	508.0	530.7	619.1	683.3	727.8	758.2
CFR (Economic Developments)	82.6	90.1	110.3	136.5	152.3	181.0
<b>Capital Financing Requirement</b>	<b>590.6</b>	<b>620.8</b>	<b>729.4</b>	<b>819.8</b>	<b>880.1</b>	<b>939.2</b>
Less: PFI Schemes and Leases (i)	-89.0	-88.1	-83.6	-78.9	-74.1	-68.8
<b>Borrowing CFR (ii)</b>	<b>501.6</b>	<b>532.7</b>	<b>645.8</b>	<b>740.9</b>	<b>806.0</b>	<b>870.4</b>
Existing Borrowing Profile (PWLB)	-471.3	-461.3	-461.3	-461.3	-437.2	-432.5
Short-Term Borrowing (iii)	-6.0	-6.0	-6.0	-6.0	-6.0	-6.0
<b>Under Borrowing</b>	<b>24.3</b>	<b>65.4</b>	<b>178.5</b>	<b>273.6</b>	<b>362.8</b>	<b>431.9</b>

- (i) *International Financial Reporting Standards (IFRS)16 requires the County Council to account for lessee operating leases (off Balance Sheet) as finance leases from 1 April 2022. The County Council currently estimates that leases totalling £3.6m will be added to the Balance Sheet from 1 April 2022 as a result of IFRS16; and as such have been included in the above (and subsequent) tables in Section 6.*
- (ii) *The 'Borrowing CFR' excludes other long-term liabilities (PFI schemes and finance leases) that form part of the County Council's total borrowing requirement.*
- (iii) *Money held and invested on behalf of the Chichester Harbour Conservancy (CHC) and its associated charities; repayable to CHC on any given notice.*

<b>Balance Sheet Projections (continued)</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
<b>Under Borrowing</b>	<b>24.3</b>	<b>65.4</b>	<b>178.5</b>	<b>273.6</b>	<b>362.8</b>	<b>431.9</b>
Usable Reserves	-236.4	-209.2	-153.8	-135.1	-117.4	-104.2
Working Capital	-80.0	-80.0	-80.0	-80.0	-80.0	-80.0
Funding required for investments greater than one year	100.0	100.0	100.0	100.0	100.0	100.0
<b>Short Term Investment(-) / External Borrowing (cumulative)</b>	<b>-192.1</b>	<b>-123.8</b>	<b>44.7</b>	<b>158.5</b>	<b>265.4</b>	<b>347.7</b>

6.13 The County Council has previously approved that a proportion of its usable reserves (including PFI/MRMC reserve balances) are held in long-term strategic investments; as a result the County Council's external debt and internal borrowing projections (including CFR forecasts; and internal borrowing as a percentage of the CFR) are summarised below:

<b>Debt Projections</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
<b>Gross External Debt (1-Apr)</b>	<b>572.4</b>	<b>566.3</b>	<b>555.4</b>	<b>595.6</b>	<b>704.7</b>	<b>782.7</b>
Repayment of Existing Debt	-3.5	-10.0	0.0	0.0	-24.1	-4.7
Chichester Harbour Conservancy Movement	0.5	0.0	0.0	0.0	0.0	0.0
External Debt (Core Borrowing)	0.0	0.0	0.0	22.0	91.1	53.6
External Debt (Economic Developments)	0.0	0.0	44.7	91.8	15.8	28.7
PFI/Finance Lease Movement	-3.1	-0.9	-4.5	-4.7	-4.8	-5.3
<b>Gross External Debt (31-Mar)</b>	<b>566.3</b>	<b>555.4</b>	<b>595.6</b>	<b>704.7</b>	<b>782.7</b>	<b>855.0</b>

<b>Debt Projections (continued)</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
<b>Cumulative Gross External Debt (at 31-March)</b>	<b>566.3</b>	<b>555.4</b>	<b>595.6</b>	<b>704.7</b>	<b>782.7</b>	<b>855.0</b>
Cumulative Internal Borrowing (on 31 March)	24.3	65.4	133.8	115.1	97.4	84.2
<b>Capital Financing Requirement</b>	<b>590.6</b>	<b>620.8</b>	<b>729.4</b>	<b>819.8</b>	<b>880.1</b>	<b>939.2</b>
<b>Internal Borrowing (%)</b>	<b>4.1%</b>	<b>10.5%</b>	<b>18.3%</b>	<b>14.0%</b>	<b>11.1%</b>	<b>9.0%</b>

6.14 As shown in the table above, under the County Council's current capital plans, usable reserves, and long-term strategic investment assumptions, it is forecast that the County Council will be required to externally borrow in 2023/24 which reflects the need to ensure that cash (useable reserves and working capital) is available to maintain the £100m long-term investment limit up to 2026/27 (as set out in paragraph 7.49). Whilst the continuation of an internal borrowing strategy in 2022/23 remains prudent, the continued benefits will be regularly monitored against the potential for incurring additional costs through deferring



external borrowing into future years when long-term borrowing rates are forecast to rise (Appendix B).

6.15 **Revenue Impact:** The revenue impact (capital financing cost as a percentage of net revenue streams) of the recommended borrowing strategy relating to the County Council's capital programme (excluding service funded Economic Developments, PFI schemes and Finance Leases) is outlined below:

	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
Net Revenue Expenditure	624.8	648.3	677.7	691.4	712.3	726.0
Capital Financing Charges	29.3	29.4	31.2	36.4	41.3	43.9
<b>% Ratio</b>	<b>4.7%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>5.3%</b>	<b>5.8%</b>	<b>6.1%</b>

6.16 In accordance with this recommended borrowing strategy, the County Council forecasts that the costs of long-term external borrowing (interest charges) in 2022/23 will be:

- PWLB Borrowing: £19.0m (£19.3m in 2021/22); of which £1.4m will be service funded from economic development schemes.
- PFI schemes and finance leases: £10.8m (£11.0m in 2021/22)

6.17 **Borrowing in Advance of Need:** Any decision to borrow in advance will be within forward approved CFR estimates and arranged to take advantage of favourable borrowing rates (given such rates are forecast to rise in the future) thereby ensuring that value for money can be demonstrated and that the County Council can ensure the security of such funds. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through quarterly compliance reports (and annual report to the Performance and Finance Scrutiny Committee).

6.18 The Authorised Borrowing Limit (paragraph 6.22) constrains borrowing in advance of future capital need by limiting such borrowing to within CFR estimates over a three year planning period, therefore confirming that it is not being taken for revenue profit (investment of the extra sums borrowed) or speculative purposes.

6.19 **Limits to Borrowing Activity:** Within the prudential indicators there are several key indicators to ensure that the County Council operates its activities within well-defined limits. These indicators ensure that the County Council's gross external debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus estimates for any additional CFR for 2022/23 and the following two financial years. Based on the gross external debt projections (paragraph 6.13) the Director of Finance and Support Services reports that the County Council complied with these prudential indicators in 2021/22 and does not envisage any non-compliance over the period of the capital programme.

6.20 The 'Operational Boundary' is the limit (Prudential Indicator) beyond which external debt is not normally expected to exceed, as set out below:

<b>Operational Boundary</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
External Debt (including CHC)	477.3	467.3	467.3	489.3	556.3	605.2
Economic Developments	0.0	0.0	44.7	136.5	152.3	181.0
PFI Schemes/ Finance Leases	89.0	88.1	83.6	78.9	74.1	68.8
<b>Operational Boundary</b>	<b>566.3</b>	<b>555.4</b>	<b>595.6</b>	<b>704.7</b>	<b>782.7</b>	<b>855.0</b>

6.21 The 'Authorised Borrowing Limit' is a further key Prudential Indicator that reports the maximum level of borrowing. This represents the limit beyond which external debt (including overdrawn bank balances and short-term borrowing undertaken for unexpected cash flow movements) is prohibited, as approved by County Council. It reflects the level of external debt which, whilst not desired, could be afforded in the short-term (e.g. when borrowing in advance of capital need) but is not desirable in the long term.

6.22 This limit is a statutory limit determined under Section 3(1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans or those of a specific council; although to-date this power has not yet been exercised.

<b>Authorised Borrowing Limit</b>	<b>2021/22 Estimate £'m</b>	<b>2022/23 Estimate £'m</b>	<b>2023/24 Estimate £'m</b>	<b>2024/25 Estimate £'m</b>	<b>2025/26 Estimate £'m</b>	<b>2026/27 Estimate £'m</b>
Gross Debt (i)	578.0	656.6	739.1	816.1	820.9	826.2
PFI Schemes / Finance Leases	89.0	88.1	83.6	78.9	74.1	68.8
<b>Authorised Borrowing Limit</b>	<b>667.0</b>	<b>744.7</b>	<b>822.7</b>	<b>895.0</b>	<b>895.0</b>	<b>895.0</b>

(i) *Gross debt estimates allow for external borrowing in advance of need for up to a maximum of two years; furthermore, gross debt includes additional headroom (£40m) for unexpected cash flow movements. For example, the 'Authorised Borrowing Limit' for 2022/23 (£744.7m) equals the maximum external debt forecast in any one financial year over a three year period (i.e. the 'Operational Boundary' over the period 2022/23 to 2024/25; therefore £704.7m for 2024/25) plus £40m.*

(ii) *The Authorised Borrowing Limit as reported above (£895m in 2026/27) is £100m higher than the equivalent limit approved in the 2021/22 Treasury Management Strategy; representing the increase to the County Council's additional borrowing required to finance the recommended Capital Programme up to 2026/27.*

6.23 In addition, the 'Maturity Structure of External Borrowing' Treasury Indicator are limits that highlight the existence of any large concentrations of external debt needing to be replaced at times of uncertainty over interest rates, and is designed to protect against excessive exposures to interest rate changes in any one period, in particular over the course of the next ten years. It is calculated as the amount of projected debt that is maturing in each period as a percentage of

total projected external debt. The maturity period of borrowing is determined by reference to the earliest date on which the lender can require payment.

6.24 The upper and lower limits for the maturity structure of external debt in 2022/23 (with actual split as of 31 December 2021 included for comparison) are set out below:

<b>Debt Maturity</b>	<b>Actual 31/12/21</b>	<b>Lower Limit 2022/23</b>	<b>Upper Limit 2022/23</b>
Over 30 Years	26%	0%	50%
Over 25 to 30 Years	0%	0%	25%
Over 20 to 25 Years	3%	0%	25%
Over 15 to 20 Years	0%	0%	25%
Over 10 to 15 Years	22%	0%	50%
Over 5 to 10 Years	40%	0%	60%
Over 1 to 5 Years	6%	0%	35%
Under 12 Months	3%	0%	25%

6.25 **Borrowing for Cash-flow Purposes:** The County Council continues to approve the use of short-term loans (normally for up to one to three months) to cover unexpected cash-flow shortages. Short-term borrowing for cash-flow purposes, up to a maximum of £40m, will be limited to the following external funding sources:

- Borrowing from other UK local authorities (excluding Police and Crime Commissioners, Fire Authorities and Local Authority Pension Funds);
- Borrowing from the money markets (financial institutions authorised by the Prudential Regulation Authority to operate in the UK).

6.26 Additionally, the County Council holds and invests money on behalf of third parties including the Chichester Harbour Conservancy and its associated charities. The County Council reports any such money as short-term borrowing given the requirement that it is available for repayment at any future point in time.

6.27 **Debt Rescheduling:** Depending on the interest rates during 2022/23 there may be opportunities to reschedule some of the County Council's debt. However, if any repayment or rescheduling of existing PWLB debt was approved the rationale would be one or more of the following:

- The generation of cash savings and/or discounted cash flow savings;
- Helping to fulfil the treasury management strategy;
- Enhancing the balance of the debt portfolio (amending the maturity profile and/or the balance of volatility).

6.28 **Reporting:** All borrowing and rescheduling activity will be reported to the Performance and Finance Scrutiny Committee (within the Mid-Year Review and/or Annual Treasury Management reports); and to the Regulation, Audit and Accounts Committee and Treasury Management Panel within the prescribed compliance reports.

## 7. Annual Investment Strategy (Treasury Investments)

- 7.1 CIPFA and the DLUHC have extended the meaning of 'investments' to include both financial and non-financial investments. This section deals solely with financial investments, as managed by the County Council's Treasury Management Team. Non-financial investments are dealt with in the separate Capital Strategy report.
- 7.2 The County Council's main treasury management activity continues to be the investment of its surplus funds, representing income received in advance of expenditure plus balances and reserves held. All treasury (financial) investments are made under statutory provisions granted to the County Council by the Local Government Act 2003 (Section 12; 'Power to Invest').
- 7.3 The Director of Finance and Support Services, in consultation with the Cabinet Member for Finance and the Treasury Management Panel, recommends that a continuation of the existing investment strategy be approved in 2022/23; subject to the following changes.
- (1) The County Council's creditworthiness policy regarding unsecured bank deposits to be amended to align approved rating parameters for both UK and non-UK banks; with non-UK banks continuing to be only considered from countries holding a sovereign rating of at least AA+. This change is made to allow greater flexibility in the management of short-term cash deposits and is in line with investment counterparty recommendations received from the County Council's treasury management advisor (Link Group).
  - (2) An increase to the maximum limit for the total invested in short-term Money Market Funds from £175m to £200m. To be utilised in the management of the County Council's daily cash flows given the continual high level of investment balances currently held (see paragraph 7.4).
- 7.4 On 31 December 2021 the County Council's investments amounted to £401m (**Appendix A**). During 2021/22 the County Council's average investment balance is forecast to average at around £420m, higher than the original £320m forecast due to capital and revenue funding received ahead of actual spend (including additional Covid-19 funding received in 2021/22); and is forecast to average at around £375m throughout 2022/23.
- 7.5 The County Council's investment policy has regard to the CIPFA Treasury Management Code of Practice and DLUHC's Guidance on Local Government Investments; as such the investment priorities will be the security first, liquidity second and then investment return ('SLY' investment principles). Accordingly, the County Council will look to strike an appropriate balance between risks and return; minimising the risk of incurring losses from defaults against the risk of receiving unsuitably low investment income.
- 7.6 In accordance with the CIPFA and DLUHC guidance, and in order to minimise the risk to investments, the County Council applies minimum acceptable credit criteria in order to generate a list of high creditworthy counterparties which also enables diversification and thus avoidance of concentration risks. In assessing

credit ratings (as provided by Link Group) the County Council employs the 'Lowest Common Denominator (LCD)' approach, meaning that it uses the lowest rating of those published by Fitch Ratings Ltd, Moody's Investors Service Ltd or Standard & Poor's.

- 7.7 Credit ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of markets. To achieve this consideration the County Council will engage with its treasury management advisors to maintain a monitor on market pricing such as 'credit default swaps' and overlay that information on top of credit ratings.
- 7.8 Other information sources used will include the financial press, share price and other such information pertaining to institutions (banks, corporates etc.) in order to establish the most robust scrutiny process on the suitability of potential investment counterparties. The County Council continues to remain alert for any signs of credit or market distress that might adversely affect its treasury management activities and corrective action will be taken when deemed appropriate to ensure the security of the total investment portfolio.
- 7.9 Accordingly, the Director of Finance and Support Services will comply with the following policies when investing funds, whether directly or via the London money market. Investments arranged via the London money market will be made through approved brokers. The list of approved brokers in 2022/23 comprises:
- BGC Partners (including Martin Brokers)
  - Imperial Treasury Services
  - Institutional Cash Distributors (ICD) Ltd
  - King and Shaxson Limited
  - Tradition (UK) Limited
  - TP ICAP Group (including ICAP and Tullett Prebon Europe Ltd)
- 7.10 **Creditworthiness Policy:** The primary objective governing the County Council's investment criteria is the security of its investments, although the yield or investment return is also a key consideration (paragraph 7.5). After this objective the County Council will ensure that:
- It maintains a policy covering both the categories of investment types it will invest in and the criteria for choosing investment counterparties with adequate security (including monitoring their security); and
  - It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining maximum periods for which funds may prudently be committed. These procedures also apply to the County Council's prudential indicators covering the maximum principal sums invested.
- 7.11 The credit risks associated with making unsecured bank deposits remain evident (due to bail-in legislation) relative to the risks of other investment options available to the County Council (including bank secured, local authority and non-bank corporate deposits). In addition to the risks associated with

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bail-in, the largest UK banks (those with more than £25bn of retail/Small and Medium-sized Enterprise (SME) deposits) are required by UK law to separate core retail banking services from their investment and international banking activities; this being known as 'ring-fencing'. Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt-up. Several banks are very close to the threshold so may come into scope in the future regardless.

- 7.12 Ring-fencing is a regulatory initiative created in response to the global financial crisis to improve the resilience and resolvability of banks by changing their structure. In general, simpler activities offered from within a ring-fenced bank will be focused on lower risk, day-to-day core transactions; whilst more complex and 'riskier' activities are required to be housed in a separate non-ring-fenced bank. This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.
- 7.13 While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The probability of a bail-in of a ring-fenced bank is smaller than a non-ring-fenced entity from the same banking group; but the loss incurred as a result of a bail-in would likely be higher. This is because retail (ring-fenced) banks will typically have more capital to protect against losses, but fewer wholesale deposits and senior unsecured creditors to share losses with. The County Council will continue to assess ring-fenced and non-ring-fenced banks in the same way that it does for other financial institutions. Those with sufficiently high ratings (and other credit metrics considered, paragraphs 7.7 and 7.8) will be considered for investment purposes.
- 7.14 On 31 December 2021, 64% of the County Council's internally managed investment portfolio (excluding externally managed pooled funds) is invested in short-term unsecured bank deposits and short-term money market funds in accordance with the policies as contained within the 2021/22 TMSS. The Director of Finance and Support Services confirms that the County Council will not be holding any investment on 31 March 2022 that will be in breach of the recommended 2022/23 strategy.
- 7.15 Under DLUHC Investment Guidance investments are categorised as either '**Specified**', '**Non-Specified**' (both categories being approved as suitable for Council treasury investment) or '**Loans**'. Specified investments are designed to offer high security and high liquidity, with the minimum of formalities. The DLUHC Guidance defines specified investments as those:
- Denominated in Sterling;
  - With a maximum maturity of one year (365 days);
  - Not defined as capital expenditure by legislation; and
  - Invested with one of:
    - The UK Government (including Gilts, Treasury Bills and DMADF).
    - A local authority in England, Wales, Scotland, or Northern Ireland.
    - An institution or investment scheme of 'high credit quality'.
    - Supranational Institutions (e.g. The European Investment Bank).
- 7.16 For investments to be regarded as specified, the County Council defines 'high credit quality' as institutions and securities meeting the following criteria:

- (a) UK Institutions (Banks, Building Societies and Corporates): Minimum long-term credit rating of **A-**; rated by at least two of the three rating agencies; Fitch, Moody's and Standard & Poor's (S&P).
- (b) Non-UK Institutions (Banks and Corporates): Minimum long-term credit rating of **A-**; rated by at least two of the three rating agencies (Country holding a sovereign rating of at least **AA+**).
- (c) Money Market Funds: Assigned a **AAA** credit rating; rated by at least two of the three rating agencies and holding assets exceeding £1bn. The County Council approves the use of Money Market Funds that operate under a Constant Net Asset Valuation (funds that invest exclusively in government securities) or operate under a Low Volatility and/or Variable Net Asset Valuation (all other short-term liquidity funds).
- (d) UK Local Authorities: Assumed rating aligned with the prevailing UK sovereign rating (**AA-** as of 31 December 2021) unless an actual credit rating exists from any of the three rating agencies.
- (e) UK Registered Social Landlords (formerly Housing Associations): Minimum long-term credit rating of **A-**; rated by at least one of the three rating agencies.
- (f) Externally Managed Pooled Funds: Assigned a **AAA** credit rating; rated by at least one of the three rating agencies.

7.17 Any investment not meeting the 'Specified' investment criteria listed above will be treated as if it were unrated ('Non-Specified' investment; paragraph 7.45). For secured investments the credit rating relevant to the specific investment (covered bonds) or underlying collateral (reverse repurchase agreements) will be used as opposed to the individual rating of the bank/building society issuing the security.

7.18 **Monitoring Credit Quality:** Credit rating information is supplied by Link Group (the County Council's treasury advisor) on all active counterparties that comply with the criteria listed above. Any counterparty failing to meet the criteria will be omitted from the counterparty (dealing) list. Any rating changes, rating 'watches' (notification of a likely change) or rating 'outlooks' (notification of the longer term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before actual dealing arrangements. Where an institution has its credit rating downgraded so that it fails to meet any of the approved investment criteria then:

- No new investments will be made after the date of notification;
- Any existing investments that can be immediately recalled or sold at no cost (financial penalty) will be;
- Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty; and
- Details will be reported to the Director of Finance and Support Services, the Cabinet Member for Finance and Treasury Management Panel members.

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- 7.19 Where an institution is placed on negative rating watch (notification of a possible rating downgrade) the reasons for the rating action will be evaluated. Unless there is sufficient cushion to absorb a two-notch downgrade to the long-term credit rating (to remain at or above the County Council's minimum approved rating criteria) then decisions on new investments will be subject to approval by the Director of Finance and Support Services. This policy will not apply to negative 'outlooks', which indicate a longer term view rather than an imminent change to an institution's rating.
- 7.20 If an institution is placed on negative rating watch and is at (or likely to fall below) the County Council's minimum rating criteria then no investments will be arranged until the outcome of the review is announced. Again, this policy will not apply to negative 'outlooks'.
- 7.21 Additional requirements under the CIPFA Treasury Management Code require the County Council to supplement credit rating information. Whilst the above policies rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use; additional market information (see paragraphs 7.7 and 7.8) will be applied before making any specific investment decisions from the approved pool of counterparties. This additional market information will be applied to compare the relative security of differing investment counterparties.
- 7.22 The Director of Finance and Support Services and the County Council's treasury management advisor will continue to analyse and monitor market indicators and credit developments on a regular basis and respond as necessary to ensure the security of the capital sums invested. No investments will be made with an organisation if there are substantive concerns about its credit quality, even though it may meet the approved minimum credit rating criteria (as set out in paragraphs 7.16 and 7.25).
- 7.23 **Liquidity Management:** The County Council uses purpose-built short-term cash flow forecasting software (currently SAP Treasury Management Module) to determine the maximum period for which funds may prudently be invested. The County Council is however planning to undertake a procurement exercise to replace the existing treasury management system in 2022; as part of the SAP replacement project. It is therefore expected that new cash flow forecasting software will be operational by the end of 2022/23.
- 7.24 Cash flow forecasts are made on a prudent basis with income under-estimated and expenditure over-estimated. Additionally, the County Council seeks to maintain a rolling profile of maturing investments, allowing it to cover unexpected items of expenditure and to react to favourable market conditions as they arise. Monetary limits on long-term investments are set by reference to the County Council's Medium Term Financial Strategy (MTFS) and long-term forecasts of usable reserve balances. The County Council also has access to a number of money market funds where cash is deposited at prevailing overnight interest rates and can be withdrawn without notice; these funds are therefore highly liquid.
- 7.25 **Investment Policy:** The Director of Finance and Support Services will undertake the most appropriate form of investments in keeping with the approved strategy objectives, income and risk management requirements and



the County Council's Treasury Indicators. Accordingly the County Council may invest its surplus funds over a range of maturity periods with any of the approved counterparty types listed below, subject to maximum monetary and duration limits (covering both 'Specified' and 'Non-Specified' investments) as shown, to ensure that prudent diversification of the investment portfolio is achieved:

(a) Unsecured Bank Deposits

<b>Credit Rating</b>	<b>Cash Limit (i)</b>	<b>Time Limit (i)</b>
AAA	£15m	2 Years
AA+	£15m	1 Year
AA	£15m	1 Year
AA-	£15m	1 Year
A+	£15m	1 Year
A	£15m	6 Months
A-	£15m	100 Day
RBS Banking Group: Ring Fenced Bank only	£15m	1 Year
Money Market Funds	£25m (ii)	Overnight
BBB+ (or below)	No Approval	No Approval

(i) *Maximum exposure limits (monetary and time) approved per individual financial institution holding an applicable credit rating.*

(ii) *Maximum monetary limits per fund approved as £25m or 0.5% of the fund's total assets under management (AUM), whichever is lower.*

(b) Other Internally Managed Investments (Bank Secured, Government Issues, UK Local Authorities and Non-Bank)

<b>Institution/ Issue Credit Rating</b>	<b>Cash Limit (iii)</b>	<b>Time Limit (iii)</b>
UK Government	Unlimited	50 Years
Local Authorities	£25m	20 Years
AAA	£25m	10 Years
AA+	£25m	5 Years
AA	£25m	4 Years
AA-	£25m	3 Years
A+	£15m	2 Years
A	£15m	1 Year
A-	£15m	6 Months
BBB+	£10m	100 Days
Money Market Funds	£25m (iv)	Overnight
Housing Associations (rated A- or higher)	£15m	5 Years
BBB (or below)	No Approval	No Approval

(iii) *Maximum exposure limits (monetary and time) approved per individual Local Authority, Housing Association, financial institution (secured bond) and applicably rated non-financial institution.*

(iv) *Maximum monetary limits per fund that invest in **government securities only** approved as £25m or 2% of the fund's total assets under management (AUM), whichever is lower.*

(c) Externally Managed Investments

<b>Externally Managed</b>	<b>Cash Limit</b>	<b>Time Limit</b>
Pooled Funds	See Note (v)	No Defined Maturity. Withdrawals made on: - Liquidity requirements - Fund performance

(v) *Maximum monetary limits for externally managed pooled funds (including ultra-short dated bond, multi-asset income and property funds) will be approved as £25m (AAA rated funds), £15m (all other funds) or 5% of the fund's total assets under management (AUM), whichever is lower.*

7.26 **Bank Unsecured:** Includes bank current accounts, call (instant-access) accounts, notice accounts, fixed-term deposits, certificate of deposits and senior unsecured bonds with banks and building societies, other than multilateral development banks (for example the European Investment Bank). 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.

7.27 **Bank Secured:** Includes covered bonds, reverse repurchase agreements (repos) and other collateralised arrangements with banks and building societies. These investment types are secured against the bank's assets, which consequently limits the potential losses in the unlikely event of insolvency and means that they are exempt from bail-in. Covered bonds will be considered when secured against a 'pool' of residential and/or low loan-to-value mortgages held by the issuing bank. Covered bonds differ from mortgage or asset-backed securities because the bank which issues the bond always remains responsible for paying dividends and repaying capital. The County Council's investments are therefore protected firstly by having a direct call on the 'pool' and secondly by a call on the general assets of the issuer.

7.28 The County Council accepts repo/reverse repo as a form of collateralised lending and will be approved on entering into a Global Master Repo Agreement (GMRA). Should any investment counterparty not meet the County Council's senior unsecured rating (as set out in paragraph 7.25) then a 102% collateralisation will be required. Acceptable collateral will include index linked gilts, conventional gilts, UK treasury bills, delivery by value (a basket of gilts covering differing maturity periods) and corporate bonds (subject to a minimum A- bond issue rating).

7.29 For secured bank deposits, where there is no investment specific credit rating but the collateral upon which the investment is secured has a credit rating, then the higher of the collateral credit rating or the counterparty credit rating will be used in determining monetary and duration limits (as set out in paragraph 7.25). The combined secured and unsecured investments in any one bank will not exceed the monetary limit approved for secured investments.

- 7.30 **Government Backed:** Loans, deposits, bonds and/or 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 an insignificant risk of insolvency; for example, statutory provisions set out in the Local Government Act 2003 preventing a UK local authority default. Investments with UK local authorities can be made for up to twenty years (but may include early repayment conditions for both lender and borrower).
- 7.31 In any future period of significant market stress, the County Council will maintain required levels of security by restricting new investments to those organisations of high credit quality only and reducing maximum duration limits in accordance with the prevailing market conditions. If there are insufficient financial institutions of high credit quality then the County Council's surplus cash will be deposited with the UK Government, via the Debt Management Office (DMO) and UK gilts/treasury bills, or other local authorities.
- 7.32 **Registered Social Landlords (RSLs):** Loans, deposits and/or bonds either issued on an unsecured basis or guaranteed by or secured against the assets of the RSL (formerly known as Housing Associations). These bodies are tightly regulated by Homes England and the Regulator of Social Housing; and as providers of public services they retain a likelihood of receiving government support if needed.
- 7.33 **Corporates:** Loans, bonds and/or commercial paper issued by companies other than banks, building societies and RSLs. These investments are not subject to bail-in but are exposed to the risk of the company going insolvent. The County Council approves the use of investments issued by corporates that hold credit ratings in accordance with the approved investment policy (as set out in paragraphs 7.16 and 7.25) up to a maximum of £15m per company (£10m for corporates rated BBB+). Additionally, the County Council will adhere to the UN's Principles of Responsible Investment (UNPRI) when approving investments with corporates.
- 7.34 **Money Market Funds:** Pooled investment vehicles consisting of unsecured money market deposits and similar instruments unless the fund consists of government securities only (paragraph 7.36). Such funds have the advantage of providing wide diversification of investment risks and high liquidity, coupled with the services of a professional fund manager. Fees of between 0.10% and 0.20% per annum are deducted from the interest paid to the County Council.
- 7.35 The County Council continues to use short-term money market funds that offer same-day liquidity as an alternative to instant access bank accounts, subject to approved monetary limits per fund set as £25m or 0.5% of the fund's total assets under management (calculated against the previous working day's closing assets total) whichever is lower.
- 7.36 In times of significant market stress the County Council may consider the use of money market funds that invest in government securities only as an alternative to Debt Management Office (DMO) deposits, up to a limit per fund of £25m or 2% of the fund's total assets under management, whichever lower (calculated as per paragraph 7.35). Such funds will be treated as a separate

counterparty to a standard cash money market fund provided by the same sponsor.

- 7.37 **Externally Managed Pooled Funds:** Shares in diversified investment vehicles which may consist any of the investment types listed above (paragraphs 7.26 to 7.33) plus (but not limited to) equity shares, emerging market debt, and infrastructure/property. These funds allow the County Council to diversify its investment portfolio into asset classes other than cash without the need to own and manage the underlying investments (undertaken by a professional fund manager in return for a fee).
- 7.38 Ultra-short dated bond funds (enhanced cash funds) provide an alternative to short-term money market funds in the management of cash-flow liquidity (up to 12 months) with the potential of increasing investment returns; whilst introducing the potential for short-term capital volatility not evident in money market funds. Multi-asset income and property funds provide the potential for enhanced returns over the longer-term but are significantly more volatile when viewed in the short-term. Consequently, all externally managed pooled funds may experience times of displaying capital losses when viewed over a short-term horizon, contravening 'SLY' investment principles.
- 7.39 The County Council will only approve external fund managers who are a confirmed signatory to the UN's Principles of Responsible Investment (UNPRI). Selection of funds will then be subject to credit risk appraisal undertaken by the Director of Finance and Support Services and will be reported to the Cabinet Member for Finance and the Treasury Management Panel. The County Council's current investments in such funds are listed in Appendix A.
- 7.40 Because these funds have no defined maturity date and may be subject to experiencing periods of capital loss, their performance and continued suitability in meeting the County Council's investment objectives will be regularly monitored by the Director of Finance and Support Services. Any compliance issues arising from pooled fund investments (for instance periods of capital loss) will be reported within quarterly compliance reports to the Regulation, Audit and Accounts Committee.
- 7.41 **The County Council's Main Provider of Banking Services:** The County Council currently banks with Lloyds Bank plc (Lloyds ring-fenced bank), the contract being effective up to 30 September 2022. The County Council has started to consider options for the provision of banking services from October 2022. Lloyds currently meets the County Council's minimum credit criteria, however, should its credit rating fall below the minimum rating criteria as prescribed in this strategy report (paragraph 7.16) the provider may continue to be used for short-term (overnight) liquidity requirements and business continuity arrangements.
- 7.42 Balances held within current accounts will be aggregated together with investments held with the County Council's banker on a daily basis and should remain within set counterparty monetary limits as prescribed within this strategy report (paragraphs 7.25 and 7.43). Occasionally however, the County Council is in receipt of 'large' amounts of income which cannot be deposited into separate investment counterparties due to intra-day dealing deadlines. In such instances the Director of Finance and Support Services

approves that an operational breach of the County Council's main banker's set monetary limits may occur for a maximum period of one working day, with corrective action being taken on the next available working day as appropriate.

- 7.43 **Country, Group and Sector Limits:** Due care will be taken to consider the county, group, and sector exposure (in addition to duration and monetary exposure). Specific limits for which investments may be placed are set out below:

<b>Limit Type</b>	<b>Cash Limit</b>
UK Central Government	Unlimited
Any single UK Local Authority (excluding individual Fire Authorities and Police and Crime Commissioners)	£25m
Any single financial institution, including UK building societies	£25m
Any single corporate or RSL: Rated A- or above	£15m
Any single corporate (including RSLs): Rated BBB+	£10m
Maximum % invested in UK domiciled institutions/organisations	100%
Maximum investment amount per banking group	£25m
Maximum corporate exposure	£50m
Maximum RSL exposure (rated above A-)	£25m
Maximum money market fund exposure (excluding pooled funds)	£200m
Maximum externally managed pooled fund exposure	£100m
Maximum investment total for non-UK countries	£90m
Maximum investment per individual non-UK country	£30m
Maximum invested in negotiable instruments held in a broker's (including King & Shaxson) nominee account	£100m

- 7.44 Investments in multilateral development banks, short-term money market funds and externally managed pooled funds do not count against the limit for any single non-UK country as shown above (£30m), since the risk is diversified across many countries.

- 7.45 **Non-Specified Investments:** Any investment not meeting the DLUHC definition of a 'Specified' investment (or 'Loan') is classified as 'Non-Specified'. Having considered the rationale and risks associated with non-specified investments, the following have been determined appropriate for the County Council's use:

- Long-term (greater than one year) investments
- Investments with credit ratings below A- (corporates)
- Investments in externally managed pooled funds (not rated AAA)
- Investments denominated in foreign currencies (Euros)
- Investments that are defined by legislation as capital expenditure

- 7.46 The following monetary limits will be applied to Non-Specified treasury investments in 2022/23; including maintaining the £100m maximum amount approved as being available for long-term investment (see paragraph 7.49):

<b>Investment Type</b>	<b>Cash Limit</b>
Total long-term investments (greater than one year)	£100m
Total investments with corporates rated below A-	£30m
Total investments within externally managed pooled funds, including ultra-short dated bond funds (not rated AAA);	£60m
Total investments denominated in foreign currencies	£2.8m
Total investments defined as capital expenditure	£0.2m

7.47 **Long-Term Investments:** Long-term investments (which may include UK gilts, covered bonds, corporate bonds, supranational bank bonds, local authority loans, RSLs deposits/bonds, externally managed pooled funds) and an equity investment with the UK Municipal Bond Agency are approved by the County Council. On 31 December 2021 the County Council had £62.5m invested for greater than one year. The maximum monetary limit for long-term investments with any one organisation is set at £15m (£25m for individual UK local authorities).

7.48 As required by the Prudential Code, the County Council is required to set limits for total funds invested for greater than 365 days. These limits are set with regard to the County Council's liquidity requirements and to reduce the need for the early sale of an investment (potentially incurring additional costs) and are based on the availability of funds after each year-end (as detailed in the County Council's Balance Sheet Projections; paragraph 6.12).

7.49 The resulting treasury indicator for long-term investments is shown below:

<b>Treasury Indicator (i)</b>	<b>Upper Limit 2021/22</b>	<b>Upper Limit 2022/23</b>	<b>Upper Limit 2023/24</b>	<b>Upper Limit 2024/25</b>	<b>Upper Limit 2025/26</b>	<b>Upper Limit 2026/27</b>
Maximum Invested for a Year or longer	£100m	£100m	£100m	£100m	£100m	£100m

(i) *Limits for future years to be reviewed on an annual basis.*

7.50 No long-term investment will be arranged with any bank or building society on an unsecured basis.

7.51 **Non-Sterling Investments:** Occasionally the County Council may receive grant funding denominated in Euros and subsequently incurs expenditure in Euros. To remove the exchange rate risk associated with converting such funds into Sterling, these can be held in a Euro denominated bank account. The Director of Finance and Support Services may therefore make investments denominated in Euros up to a maximum limit of €3.3m (£2.8m equivalent based on a 1.1786 exchange rate).

7.52 **Investments Defined as Capital Expenditure:** Investments defined by legislation as capital expenditure, such as company shares, are covered by the County Council's non-treasury (commercial) investment policy as set out in the Capital Strategy. The County Council does however hold an equity investment in the UK Municipal Bond Agency plc; a capital finance company

established in 2014 by the Local Government Association. This capital investment was originally approved in February 2015 having the aim of providing the County Council with a borrowing alternative to the PWLB.

- 7.53 **Policy on Financial Derivatives:** The County Council has previously made use of financial derivatives that are embedded into investments, to reduce interest rate risks through the use of forward dated deals and to increase income through the use of callable deposits. The 'General Power of Competence' in Section 1 of the Localism Act 2011 removed much of the uncertainty over local authorities' use of standalone financial derivatives (those not embedded into an investment), including swaps and options. The CIPFA Treasury Management Code of Practice requires the County Council to clearly state their policy on the use of financial derivatives in the annual strategy.
- 7.54 The County Council does not intend to use standalone financial derivatives unless they can be clearly demonstrated to reduce the overall level of financial risks the authority is exposed to. Embedded derivatives, including those present in externally managed pooled funds and forward starting investments, will not be subject to this policy; however, the risks they present will be managed in line with the overall treasury risk management strategy. Should this position change the Director of Finance and Support Services, after seeking a legal opinion on the use of standalone financial derivatives, will develop a detailed and robust risk management framework governing their use and will ensure that treasury management officers have the appropriate training.
- 7.55 **Loans:** Loans to third parties (individuals and/or non-rated companies) will be approved based on the economic and social benefits to the County Council and the residents of West Sussex; or following an external credit assessment of the companies involved. On 31 March 2021 the County Council had an outstanding loan with the Littlehampton Harbour Board, which commenced in March 2015 and is being repaid annually over a period of twenty years. Interest applicable to this loan is being received to fully recover costs incurred by the County Council and not to generate additional income. Additionally, during 2019/20 the Council introduced the "Financial Support for Recruitment and Retention Employee Loan" scheme, whereby eligible employees (in post designated by the Council as hard to fill) can apply for interest free loans up to £10,000 with repayment terms over a maximum five year period.

## **8. Investment Income (2022/23)**

- 8.1 Interest forecasts provided by Link Group (**Appendix B**) show the potential of two 0.25% increases to the Bank of England's Bank Rate during 2022/23; following the removal of the emergency 0.15% Covid-19 Bank Rate cut in December 2021. Link's forecasts therefore assume an average Bank Rate of around 0.50% throughout 2022/23. The Director of Finance and Support Services has therefore calculated expected 2022/23 investment income on the assumption that Bank Rate will average around 0.50% throughout the financial year; and based all short-term deposit rates achievable on this assumption.
- 8.2 The County Council is expected to have an average investment portfolio of £375m throughout 2022/23 (paragraph 7.4). Given the County Council's Bank

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Rate assumptions and the continuation of the 2021/22 investment strategy (including approved long-term strategic investments) it is forecast that the portfolio will attract an average interest rate of 0.96% in 2022/23. Consequently, the County Council expects to receive investment income totalling £3.0m as shown in the table below:

<b>Investment</b>	<b>Average Portfolio £'m</b>	<b>Interest Rate (%)</b>	<b>Interest £'m</b>
Liquidity Portfolio	95.1	0.43	0.4
Short-Term Investment Portfolio	224.5	0.56	1.3
Long-Term Investment Portfolio	55.4	3.52	1.9
<b>Gross Interest Return</b>	<b>375.0</b>	<b>0.96</b>	<b>3.6</b>
Less transfers to specific reserves	n/a	n/a	-0.6
<b>Investment Income (2022/23)</b>	n/a	n/a	<b>3.0</b>

- 8.3 If actual levels of investments and interest rates differ from the forecasts then performance against the budget will be correspondingly different. Given the constraints on the County Council's 2022/23 revenue budget, the Director of Finance and Support Services will monitor the investment income budget throughout the period and report any changes to the above forecast within quarterly Performance and Resources Reports (PRRs). Any actual investment income shortfall against the above forecasts will be funded through the Interest Smoothing reserve (£2.3m balance as of 31 December 2021).

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**Appendices**

Appendix A – West Sussex County Council - Treasury Portfolio (31/12/2021)  
Appendix B – Economic and Interest Rate Forecast (Link Group)

**Background Papers**

None



## West Sussex County Council - Treasury Portfolio (31/12/2021)

### Gross External Debt

<b>External Borrowing</b>	<b>31/12/21 £'m</b>
Fixed Rate: Public Works Loan Board (PWLB)	471.1
Fixed Rate: PWLB (on behalf of the Littlehampton Harbour Board)	0.2
Variable Rate: Short-Term ( <i>Chichester Harbour Conservancy</i> )	5.4
<b>Total External Borrowing</b>	<b>476.7</b>

<b>Other Long Term Liabilities (i)</b>	<b>31/12/21 £'m</b>
Private Finance Initiatives (PFI)	86.9
Finance Leases	2.1
<b>Total Other Long-Term Liabilities</b>	<b>89.0</b>

<b>Total Gross External Debt</b>	<b>565.7</b>
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(i) Other Long Term Liabilities: Expected position on 31 March 2022.

### Treasury Investments

<b>Internally Managed Investments</b>	<b>31/12/21 £'m</b>
Bank Secured: Covered Bonds (UK Banks)	10.0
Bank Secured: Covered Bonds (Non-UK Banks)	15.1
Bank Unsecured: Short-Term Bonds	4.2
Bank Unsecured: Short-Term Cash Deposits (Current Accounts)	0.0
Bank Unsecured: Short-Term Cash Deposits (Fixed-Term)	45.0
Bank Unsecured: Short-Term Cash Deposits (Notice Accounts)	15.0
Bank Unsecured: Short-Term Certificate of Deposits	49.3
Bank Unsecured: Money Market Funds	109.7
Local Authority: Short-Term Investments	90.0
UK Government (Gilts)	10.2
<b>Total Internally Managed Investments</b>	<b>348.5</b>

<b>Externally Managed Investments</b>	<b>31/12/21 £'m</b>
Multi-Asset Income Funds	26.9
Property Funds	25.6
<b>Total Externally Managed Investments</b>	<b>52.5</b>

<b>Total Treasury Investments</b>	<b>401.0</b>
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## Economic and Interest Rate Forecast (Link Group)

### 1 Prospect for Interest Rates

1.1 The County Council has appointed Link Group (Treasury Solutions) as its treasury advisor and part of their service is to assist the authority in formulating a view on interest rates. The following table gives their central view (updated December 2021) and reflects PWLB borrowing calculated at the 0.80% margin over gilt yields (PWLB Certainty Rate) available to local authorities:

Rate (%)	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025
Bank Rate	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3-Month (i)	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6-Month (i)	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12-Month (i)	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5-Yr PWLB	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10-Yr PWLB	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25-Yr PWLB	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50-yr PWLB	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30

(i) Link Group's forecast for average investment earnings (replacing previous LIBID forecasts); however, rates offered by individual counterparties may differ significantly from these averages reflecting their different needs for borrowing short term cash at any one point in time.

1.2 Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it back up to 0.25% at its December 2021 meeting (reversing the emergency action made at the outset of the pandemic). Going forward it is not expected that Bank Rate will go up fast after this initial rate rise as the supply potential of the UK economy is not likely to have taken a major hit during the pandemic. Therefore, the economy should be able to cope well with meeting demand after supply shortages subside over the next year, without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the Bank of England's 2% target after the expected spike to over 5% in 2022.

1.3 As shown in the table above, Link Group's forecast for Bank Rate now includes four increases: one 0.25% increase in the first quarter of 2022/23, then further 0.25% increases in the fourth quarter of 2022/23, the fourth quarter of 2023/24 and the fourth quarter of 2024/25. Therefore, Bank Rate is forecast to increase from 0.25% to 1.25% over the three-year forecast period to March 2025. However, it is likely that these forecasts will need changing within a relatively short timeframe given the following significant risks to the forecasts:

- Mutations of the coronavirus render current vaccines ineffective, and tweaked vaccines to combat these mutations are delayed, or cannot be administered fast enough to prevent further lockdowns. 25% of the population not being vaccinated is also a significant risk to the NHS being overwhelmed and lockdowns being the only remaining option (*for example, we currently do not know with any certainty how severe the impact of the Omicron variant could have on the UK economy and whether there will be another lockdown or similar and, if there is, whether there would be significant fiscal support from the Government for businesses and jobs*).
- Labour and supply shortages prove more enduring and disruptive and depress economic activity. There were already increasing grounds for viewing the economic recovery as running out of steam during the autumn and now into the winter of 2021; even before the outbreak of the Omicron variant posing a significant downside threat to economic activity. This could lead into stagflation, or even into recession, which would then create a dilemma for the Bank of England as to whether to focus on combating inflation or supporting economic growth through keeping interest rates low.
- Rising gas and electricity prices in October 2021 (and next April) and increase in other prices caused by current supply shortages and increases in taxation next April, are already going to deflate consumer spending power without the Bank of England's Monetary Policy Committee (MPC) having to take any action on Bank Rate to cool inflation. Therefore, risk that the MPC acts too quickly (or goes too far) over the next three years to raise Bank Rate and causes UK economic growth and increases in inflation to be weaker than currently anticipated. On the flip side however, there is the risk that the MPC tightens monetary policy too late in warding off building inflationary pressures.
- If there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out the significant remaining issues of post-Brexit UK/EU trade arrangements; for example, if the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no-deal Brexit.

1.4 The overall balance of risks to economic growth in the UK is now to the downside when including risks from Covid and its variants; both domestically and their potential effects worldwide. In summary therefore, with the high level of uncertainty prevailing on several different fronts, Link Group expect to have to revise their forecasts again - in line with whatever the new news is. It should also be borne in mind that Bank Rate being cut to 0.25% and then to 0.10% were emergency measures to deal with the Covid crisis hitting the UK in March 2020. As recently shown, the MPC could decide to reverse such emergency cuts given they are no longer warranted, and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth

1.5 **Borrowing Rates:** Since the start of 2021, we have seen a lot of volatility in UK gilt yields, and hence Public Works Loan Board (PWLB) borrowing rates. As the interest forecast table for PWLB certainty rates shows (paragraph 1.1) there is forecast to be a steady, but slow, rise in Bank Rate and PWLB borrowing rates (UK gilt yields) during the period up to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.

- 1.6 While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in the US could have on our gilt yields. As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant upward risk exposure to the forecasts for longer term PWLB rates; however, gilt yields and treasury yields do not always move in unison.
- 1.7 **US Treasury Yields:** During the first part of 2021, US President Biden's and the Democratic party's determination to push through a \$1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. However, this was in addition to the \$900bn support package already passed in December 2020. This was then followed by additional Democratic ambition to spend \$1trn on infrastructure (which was eventually passed by both houses later in 2021) and an even larger sum on an American families plan over the next decade; subject to ongoing Democrat / Republican haggling. Financial markets were alarmed that all this stimulus was happening at a time when:
- A fast vaccination programme had enabled a rapid opening up of the US economy during 2021;
  - The US economy was growing strongly during the first half of 2021 (although it has weakened overall during the second half);
  - It started from a position of little spare capacity due to less severe lockdown measures than in many other countries; and
  - The Fed was still providing substantial stimulus through monthly Quantitative Easing (QE) purchases during 2021.
- 1.8 It was not much of a surprise that a combination of these factors would eventually cause an excess of demand in the US economy which generated strong inflationary pressures. This has eventually been recognised by the Fed at its December 2021 meeting, with an aggressive response to damp inflation down during 2022 and 2023. At its November 2021 meeting, the Fed had already announced a start on tapering its \$120bn per month of QE purchases so that they ended next June. However, at its December 2021 meeting the Fed doubled the pace of tapering so that they will end all purchases in February 2022. These purchases are currently acting as downward pressure on yields and so it would be expected that treasury yields will rise over the taper period and after the taper ends, all other things being equal. The Fed also forecast that it expected there would be three interest rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy.
- 1.9 As the US financial markets are, by far, the biggest financial markets in the world, any upward trend in treasury yields will invariably impact and influence financial markets in other countries. Inflationary pressures and erosion of surplus economic capacity look much stronger in the US compared to those in the UK, which would suggest that Fed rate increases eventually needed to suppress inflation, are likely to be faster and stronger than Bank Rate increases in the UK. This is likely to put upward pressure on treasury yields which could then spill over into putting upward pressure on UK gilt yields.

- 1.10 There are also possible downside risks from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices thereby helping to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to monitor.
- 1.11 Additionally, Link Group's forecasts are predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and Russia, China / North Korea and Iran, which have a major impact on international trade and world GDP growth; all of which could significantly impact the future path of rates.

## **2 Counterparty Creditworthiness Update**

- 2.1 Significant levels of downgrades to counterparty (including financial institutions) short- and long-term credit ratings have not materialised since the outset of the coronavirus crisis in March 2020. In the main, where ratings did change, any alterations were limited to Outlooks (a longer-term view of the creditworthiness of a counterparty). However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.
- 2.2 Additionally, although bank Credit Default Swap prices (these are market indicators of credit risk) spiked upwards at the end of March and early April 2020 due to the heightened market uncertainty and the ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link Group monitor CDS prices as part of their creditworthiness service to local authorities and the County Council has access to this information via its Link-provided Passport portal.

## **3 Investment and Borrowing Advice**

- 3.1 One of the key results of the coronavirus pandemic has been a fundamental rethinking and shift in monetary policy by major central banks (including the Fed, the Bank of England, and the European Central Bank) to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation before consideration would be given to increasing rates.
- 3.2 For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion. However, investment returns are expected to improve in 2022/23 as financial markets price in a series of Bank Rate hikes; but returns may experience periods of short-term volatility if actual economic circumstances see the Bank of England fall short of market expectations.

- 3.3 Based on the current Link Group central assumptions for interest rates, the suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year (based on the next increase in Bank Rate occurring during the first quarter of 2022/23) are as follows:

<b>Average Earnings per Financial Year</b>	<b>Dec-21 Forecast</b>
2022/23	0.50%
2023/24	0.75%
2024/25	1.00%
2025/26	1.25%
Long-term (periods over 10 years in the future)	2.00%

- 3.4 Internally managed investments should continue to be made with reference to the County Council’s core working balances and cash flow requirements; together with the outlook for short-term interest rates (rates for investments up to 12 months). While most cash balances are required in order to manage short-term (up to one year) cash flow requirements, greater returns are usually obtainable for cash sums which are identified as being available for longer-periods; however, the value to be obtained from such longer term investments must always be carefully assessed.
- 3.5 **Borrowing Advice:** The policy of avoiding new borrowing by running down spare cash balances has served many local authorities well over the last few years. However, borrowing interest rates fell to historically very low rates as a result of the coronavirus crisis and the quantitative easing operations of the Bank of England, and still remain at historically low levels. Furthermore, in November 2020 HM Treasury announced the conclusion to their review of margins over gilt yields for PWLB rates; with the PWLB Certainty Rate margin (across all periods up to 50-years) being returned to the corresponding UK Gilt yield plus 80 basis points. However, a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which has the purchase of assets primarily for yield in its three-year capital programme.
- 3.6 Link Group’s long-term (10-year) forecast for Bank Rate is 2.00% (see paragraph 3.3). As some PWLB certainty rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB for appropriate capital expenditure. Longer-term borrowing could also be considered for the purpose of certainty, where that is desirable, or for flattening the profile of a heavily unbalanced debt maturity profile. Temporary borrowing rates are however likely to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio (together with any internal borrowing as set out in approved borrowing strategies). In addition, there are also some cheap alternative sources of long-term borrowing if a local authority is seeking to avoid a “cost of carry” but also wishes to mitigate future re-financing risks.

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PRUDENTIAL INDICATORS (2022/23 TO 2026/27)							
<b>Capital Programme</b>	<b>Actual 31-Mar-21 £000</b>	<b>Estimate 2021/22 £000</b>	<b>Estimate 2022/23 £000</b>	<b>Estimate 2023/24 £000</b>	<b>Estimate 2024/25 £000</b>	<b>Estimate 2025/26 £000</b>	<b>Estimate 2026/27 £000</b>
<b>Capital Expenditure (i)</b>	<b>93,968</b>	<b>110,568</b>	<b>120,378</b>	<b>184,950</b>	<b>164,983</b>	<b>125,867</b>	<b>159,561</b>
Capital Financing Requirement (CFR) - Service	521,933	508,023	530,771	619,072	683,304	727,834	758,179
CFR - Economic Developments	78,015	82,628	90,053	110,344	136,500	152,300	180,983
<b>Capital Financing Requirement (Closing Balance)</b>	<b>599,949</b>	<b>590,651</b>	<b>620,824</b>	<b>729,416</b>	<b>819,804</b>	<b>880,134</b>	<b>939,163</b>
Gross External Debt	480,383	477,303	467,287	467,272	489,296	556,381	605,266
Economic Developments	0	0	0	44,683	136,500	152,300	180,983
PFI Schemes and Finance Leases	91,990	89,031	88,103	83,654	78,903	74,097	68,751
<b>Actual Debt/Operational Boundary (ii)</b>	<b>572,373</b>	<b>566,334</b>	<b>555,390</b>	<b>595,609</b>	<b>704,699</b>	<b>782,778</b>	<b>855,000</b>
Gross External Debt		577,946	656,596	739,125	816,097	820,903	826,250
PFI Schemes and Finance Leases		89,031	88,103	83,654	78,903	74,097	68,751
<b>Authorised Borrowing Limit</b>	<b>N/A</b>	<b>666,977</b>	<b>744,699</b>	<b>822,778</b>	<b>895,000</b>	<b>895,000</b>	<b>895,000</b>
<b>Revenue Impact</b>	<b>Actual 31-Mar-21 £000</b>	<b>Estimate 2021/22 £000</b>	<b>Estimate 2022/23 £000</b>	<b>Estimate 2023/24 £000</b>	<b>Estimate 2024/25 £000</b>	<b>Estimate 2025/26 £000</b>	<b>Estimate 2026/27 £000</b>
Capital Financing Costs (Corporately Funded)	28,189	29,331	29,351	31,200	36,436	41,345	43,938
Net Revenue Expenditure	593,857	624,833	648,342	677,702	691,403	712,331	726,000
<b>Ratio (%)</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>5.3%</b>	<b>5.8%</b>	<b>6.1%</b>
(i) 2020/21 actual capital expenditure includes PFI notional investment, as per Note 6 of the Council's "Statement of Accounts"							
(ii) The <i>Operational Boundary</i> represents the Council's forecast of its gross external debt (including PFI and Finance Lease liabilities)							
<b>Commercial Investments (iii)</b>	<b>Actual 31-Mar-21 £000</b>	<b>Estimate 2021/22 £000</b>	<b>Estimate 2022/23 £000</b>	<b>Estimate 2023/24 £000</b>	<b>Estimate 2024/25 £000</b>	<b>Estimate 2025/26 £000</b>	<b>Estimate 2026/27 £000</b>
Forecast Income	3,667	3,991	4,060	4,231	4,685	5,405	6,005
Net Revenue Expenditure	593,857	624,833	648,342	677,702	691,403	712,331	726,000
<b>Income to Net Service Ratio (%)</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>0.8%</b>	<b>0.8%</b>
Forecast Income	3,667	3,991	4,060	4,231	4,685	5,405	6,005
Cost of Borrowing (Capital Financing)	2,289	2,323	2,453	2,580	2,921	3,454	3,900
<b>Investment Cover Ratio</b>	<b>1.6</b>	<b>1.7</b>	<b>1.7</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>	<b>1.5</b>
(iii) Income relating to Investment Property (purchased before April 2020) and Your Energy Sussex (inc. solar farms and solar panels) schemes.							
<b>TREASURY MANAGEMENT INDICATORS</b>							
<b>Maximum % Gross Borrowing at Fixed and Vairiable Rates</b>	<b>Actual 31-Mar-21 £000</b>	<b>Estimate 2021/22 £000</b>	<b>Estimate 2022/23 £000</b>	<b>Estimate 2023/24 £000</b>	<b>Estimate 2024/25 £000</b>	<b>Estimate 2025/26 £000</b>	<b>Estimate 2026/27 £000</b>
Maximum % Gross Borrowing at Fixed Rates	99%	100%	100%	100%	100%	100%	100%
Maximum % Gross Borrowing at Variable Rates	1%	25%	25%	25%	25%	25%	25%
<b>Internal Borrowing Forecast</b>	<b>Actual 31-Mar-21 £000</b>	<b>Estimate 2021/22 £000</b>	<b>Estimate 2022/23 £000</b>	<b>Estimate 2023/24 £000</b>	<b>Estimate 2024/25 £000</b>	<b>Estimate 2025/26 £000</b>	<b>Estimate 2026/27 £000</b>
Under/Over(-) Borrowing (iv)	27,576	24,317	65,434	133,807	115,105	97,356	84,162
Under/Over(-) Borrowing as a % of CFR	4.6%	4.1%	10.5%	18.3%	14.0%	11.1%	9.0%
<b>Maturity Structure of External Debt</b>	<b>Actual 31-Mar-21</b>	<b>Lower Limit 2021/22</b>	<b>Upper Limit 2021/22</b>	<b>Lower Limit 2022/23</b>	<b>Upper Limit 2022/23</b>		
Debt Maturity (v):							
Over 30 Years	26%	0%	40%	0%	50%		
Over 25 to 30 Years	0%	0%	25%	0%	25%		
Over 20 to 25 Years	3%	0%	25%	0%	25%		
Over 15 to 20 Years	0%	0%	25%	0%	25%		
Over 10 to 15 Years	33%	0%	50%	0%	50%		
Over 5 to 10 Years	29%	0%	60%	0%	60%		
Over 1 to 5 Years	7%	0%	35%	0%	35%		
Under 12 months	2%	0%	25%	0%	25%		
(iv) The Council's forecast levels of internal borrowing based on gross external debt projections.							
(v) These percentages reflect maximum values to allow for new external and/or debt restructuring. They do not reflect actual maturity values.							
<b>Upper Limit for Principal Sums Invested over 365 Days</b>	<b>Actual 31-Mar-21</b>	<b>Estimate 2021/22</b>	<b>Estimate 2022/23</b>	<b>Estimate 2023/24</b>	<b>Estimate 2024/25</b>	<b>Estimate 2025/26</b>	<b>Estimate 2026/27</b>
Maximum invested for a year or longer (vi)	£63.3m	£100m	£100m	£100m	£100m	£100m	£100m
(vi) Limits for future years to be reviewed on an annual basis.							

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## Equality Impact Assessment

Implementation date 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023  
EIR completed by: Rebecca Taylor Tel: 0330 222 6878

### **1 Decide whether this report is needed and, if so, describe how you have assessed the impact of the proposal.**

- 1.1. One of the County Council's most significant strategic decisions is the budget and the service plans and commitments which it is designed to deliver. In setting the budget the County Council must be aware of and consider a range of statutory and other legal responsibilities. These responsibilities must inform the decision to set the budget and the Council must explain how it undertakes that process of consideration. The public sector equality duty is an important element of this process for delivering a rational and lawful budget.
- 1.2. The public sector equality duty is the duty to have regard to the impact of proposals on persons and groups with protected characteristics. The Council discharges the public sector equality duty through several measures, particularly by applying detailed consideration of such impacts arising from the planning and implementation of service changes, especially where those changes reduce current service levels or reduce the funds available to deliver them. The public sector equality duty impact is best understood and assessed using detailed service and customer information held or secured by those leading, planning and implementing service change. The information is used to support the decisions which generate service plans. The County Council takes the budget decision on the basis that this arrangement for discharging the public sector equality duty is in place.
- 1.3. Where statutory or some other customer or public consultation is required to help the impact assessment work, this is included as part of proposal planning and implementation. Where specific service user data is required to better understand the potential impact on those with protected characteristics, this is secured. Different levels of assessment or different forms of data gathering are used dependent upon the needs of the particular service plan under consideration. The overall budget proposal explains how these different approaches apply in relation to the body of service plans.
- 1.4. The background to the budget for 2022/23 is continued demand pressure for acute and essential services on which many of our more vulnerable residents rely and that these demand increases will outstrip any Government funding changes. As such, a programme of well-considered and planned budget measures is essential to ensure the Council achieves its legal duty to approve a realistic and balanced budget, with the minimum adverse impact for residents.

Agenda Item 5  
Annex 3

- 1.5 The savings planned for 2022/23 are £11m and need to be viewed in the context of a draft overall net revenue budget of around £648m. The measures included in the budget report to balance the budget contain further information on how the equality impact work will be addressed as part of each proposed saving (Annex 1, Appendix 3)
- 1.6 The emphasis in budget planning continues to be on maintaining efficiency with a view to protecting core services in line with Our Council Plan priorities. The Council's over-arching aim has been to avoid unnecessary budget reductions which do not reflect the Council's priorities. Instead, the Council has focused on specific measures to both understand impacts and address any adverse impacts for services or support. Where a separate decision is needed for any budget proposal the service prepares an impact assessment to inform the eventual decision based on the Council's approach to its public sector equality duty so that the decision making has full regard to such assessment.

**2 Describe any negative impact for customers or residents.**

- 2.1. Efforts have been made when compiling budget proposals to minimise the impact on residents generally and on those with a protected characteristic where any is identified.
- 2.2. The total £11m savings planned for 2022/23 are a continuation of savings from last year, business as usual or operational decisions.
- 2.3. The Council has made efforts to continue to provide residents with services to meet needs and identified priorities. Work will be done where advised on equality impacts and how to mitigate any potentially adverse impact within any separate decisions to be taken and their implementation.

**3 Describe any positive effects which may offset any negative impact.**

- 3.1. A balanced budget has been developed on the basis of a primary aim of meeting all statutory duties to provide services supporting the priority needs and interests of West Sussex residents and which should result in a positive impact for residents including those with a protected characteristic. Available information on potential impact has informed the process of prioritisation.
- 3.2. As well as the revenue budget, the County Council will be asked to approve an updated capital programme for 2022/23 to 2026/27. The capital programme sets out how the County Council proposes to invest in assets to deliver the Council's vision for and its commitment to West Sussex as set out in the Capital Strategy in Annex 2 (a). It too will be implemented through decision-making arrangements which address the need to take account of the public sector equality duty.

**4 Describe whether and how the proposal helps to eliminate discrimination, harassment and victimisation.**

- 4.1. One of the key aims of developing budget proposals is to balance the budget on the basis of protecting core or critical services and delivering West Sussex plan priorities.
- 4.2. In preparing the proposals outlined, it is believed that no individual group whether it be by age, sex, race, disability, gender reassignment (including transgender), sexual orientation, religion or belief or any other identifiable group will suffer from discrimination, harassment or victimisation as a direct consequence. The focus on opportunities to eliminate discrimination will be addressed in service plans and implementation.

**5 Describe whether and how the proposal helps to advance equality of opportunity between people who share a protected characteristic and those who do not.**

- 5.1. The proposals identified by services will be expected to maintain equality of opportunity between people who share a protected characteristic and those who do not. This is part of the work that will take place ahead of any individual equality impact work on individual proposals in any service plan area.

**6 Describe whether and how the proposal helps to foster good relations between persons who share a protected characteristic and those who do not.**

- 6.1. The proposals will be expected, where possible, to foster good relations between persons who share a protected characteristic and those who do not.
- 6.2. This is part of the work that will take place ahead of any planned individual equality impact work on each service area.

**7 What changes were made to the proposal as a result? If none, explain why.**

- 7.1. Changes to proposals will be addressed in the evaluation of consultation and representations and recorded in specific decision reports or identified for clarification in service plan implementation.

**8 Explain how the impact will be monitored to make sure it continues to meet the equality duty owed to customers and say who will be responsible for this.**

- 8.1. Monitoring will be through equality impact work at individual service level and also business planning and performance framework planning processes. Hence each Directorate will be responsible for monitoring the impact on their own services

**To be signed by a Director or Head of Service to confirm that they have read and approved the content.**

Name

KATHARINE EBERHART

Date

12<sup>th</sup> January 2022

Your position

Director of Finance and Support Services



## Forward Plan of Key Decisions

The County Council must give at least 28 days' notice of all key decisions to be taken by councillors or officers. The Plan describes these proposals and the month in which the decisions are to be taken over a four-month period. Decisions are categorised according to [Cabinet Member](#) portfolios.

The most important decisions will be taken by the Cabinet. Due to the continuing public health measures, there will be limited public access to the meeting. Admission is by ticket only, bookable in advance via: [democratic.services@westsussex.gov.uk](mailto:democratic.services@westsussex.gov.uk). The meetings will be available to watch online via our [webcasting website](#). The [schedule of monthly Cabinet meetings](#) is available on the website. The Forward Plan is updated regularly and key decisions can be taken on any day in the month if they are not taken at Cabinet meetings. The [Plan](#) is available on the website. [Published decisions](#) are also available via the website.

A key decision is one which:

- Involves expenditure or savings of £500,000 or more (except treasury management); and/or
- Will have a significant effect on communities in two or more electoral divisions in terms of how services are provided.

The following information is provided for each entry in the Forward Plan:

<b>Decision</b>	A summary of the proposal.
<b>Decision By</b>	Who will take the decision - if the Cabinet, it will be taken at a Cabinet meeting in public.
<b>Date added</b>	The date the proposed decision was added to the Forward Plan.
<b>Month</b>	The decision will be taken on any working day in the month stated. If a Cabinet decision, it will be taken at the Cabinet meeting scheduled in that month.
<b>Consultation/ Representations</b>	How views and representations about the proposal will be considered or the proposal scrutinised, including dates of Scrutiny Committee meetings.
<b>Background Documents</b>	The documents containing more information about the proposal and how to obtain them (via links on the website version of the Forward Plan). Hard copies are available on request from the decision contact.
<b>Author</b>	The contact details of the decision report author
<b>Contact</b>	Who in Democratic Services you can contact about the entry

### Finance, assets, performance and risk management

Each month the Cabinet Member for Finance and Property reviews the Council's budget position and may take adjustment decisions. A similar monthly review of Council property and assets is carried out and may lead to decisions about them. These are noted in the Forward Plan as 'rolling decisions'.

Each month the Cabinet will consider the Council's performance against its planned outcomes and in connection with a register of corporate risk. Areas of particular significance may be considered at the scheduled Cabinet meetings.

Significant proposals for the management of the Council's budget and spending plans will be dealt with at a scheduled Cabinet meeting and shown in the Plan as strategic budget options.

For questions contact Katherine De La Mora on 033 022 22535, email [katherine.delamora@westsussex.gov.uk](mailto:katherine.delamora@westsussex.gov.uk).

**Published: 19 January 2022**

## Finance and Property

### Cabinet

<b>Emergency Central Government Funding (Rolling Entry)</b>	
<p>Due to the ongoing public health emergency the County Council has received a number of support packages from Central Government. As funds are received the Council needs to determine arrangements to distribute, allocate or make other preparations for the appropriate use of funds received.</p> <p>The relevant decision maker will be determined by the intended use of the allocated funds. The Council may be required to comply with a number of conditions set out in the terms of the grant which may mean decisions need to be taken quickly due to the need to provide timely financial support related to the Covid-19 pandemic. Members will be consulted or advised of planned decisions with as much notice as can be provided.</p>	
<b>Decision by</b>	- Cabinet
<b>Date added</b>	15 February 2021
<b>Month</b>	Before March 2022
<b>Consultation/ Representations</b>	Representations can be made to the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Tony Kershaw Tel: 033 022 22662
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Leader, Cabinet Member for Finance and Property, Cabinet

<b>Performance and Resources Report (Rolling Entry)</b>	
<p>The Performance and Resources Report (PRR) details the Council's performance in relation to revenue and capital spending, savings, workforce projections, performance and risk by portfolio against the Cabinet's key priorities. The Leader and Cabinet Member for Finance &amp; Property, or Cabinet will be recommended to approve the PRR and any items of financial and performance management within the PRR.</p>	
<b>Decision by</b>	Cllr Hunt - Leader, Cabinet Member for Finance and Property, Cabinet
<b>Date added</b>	1 April 2021
<b>Month</b>	Before March 2022
<b>Consultation/ Representations</b>	Representation can be made via the officer contact.
<b>Background Documents</b>	None



(via website)	
<b>Author</b>	Fiona Morris Tel: 033 022 23811
<b>Contact</b>	Natalie Jones-Punch Tel: 033 022 25098

### Cabinet Member for Finance and Property

<b>Property Holdings: (Rolling Entry)</b>	
<p>The County Council's West Sussex Plan sets out its ambition to minimise the burden of local taxation, delivering the best outcomes for residents with the money it spends, whilst living within its means. In 2018 the County Council agreed to adopt an <a href="#">Asset Management Policy and Strategy</a>. An objective of the strategy is to acquire, manage, maintain and dispose of property effectively, efficiently and sustainably, together with optimising financial and commercial opportunities.</p>	
<b>Decision by</b>	Cllr Hunt - Cabinet Member for Finance and Property
<b>Date added</b>	12 January 2022
<b>Month</b>	Before March 2022
<b>Consultation/ Representations</b>	Local members Representation can be made via the officer contact
<b>Background Documents</b> (via website)	None
<b>Author</b>	Elaine Sanders Tel: 033 022 25605
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### County Council, Cabinet

<b>Council Plan and Budget 2022/23</b>	
<p>The Budget report details the County Council's revenue budget, the level of council tax proposed for 2022/23, the nature of its expenditure, income and savings for a balanced budget. It will also outline the County Council's Capital Programme to cover the period 2022/23 to 2026/27 which will update the programme previously agreed by County Council.</p> <p>Cabinet will be asked to endorse the Revenue Budget and Capital Programme for approval at County Council on 18 February 2022.</p>	
<b>Decision by</b>	Cllr J Dennis, Cllr Urquhart, Cllr Russell, Cllr Waight, Cllr Lanzer, Cllr Marshall, Cllr A Jupp, Cllr N Jupp, Cllr Crow, Cllr Hunt - County Council, Cabinet
<b>Date added</b>	24 November 2021
<b>Month</b>	February 2022

<b>Consultation/ Representations</b>	Performance and Finance Scrutiny Committee  All Member Sessions  Representations concerning this proposed decision can be made to the Cabinet, via the officer contact, by the beginning of the month in which the decision is due to be taken.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Katharine Eberhart Tel: 033 022 22682
<b>Contact</b>	Natalie Jones-Punch Tel: 033 022 25098

**Director of Property and Assets**

<b>Procurement and Award of Contract-Littlehampton County Offices</b>	
<p>Littlehampton County Offices is a three-storey property, owned by West Sussex County Council and shared with Sussex Police.</p> <p>At the time of the August 2021 Key Decision (FP03 21/22) to vacate Centenary House Durrington, options for replacement office space had been identified for County Council staff including for direct engagement with the public. Some of the capacity will be provided by a move to rented accommodation at Durrington Bridge House on a five-year lease. It is intended to provide the balance of the accommodation at Littlehampton County Offices, which will provide an enduring facility for the Council. A feasibility study has identified a solution that will cost £1.1m to refurbish the property, including making adaptations to reduce the carbon footprint of the building and improve accessibility.</p> <p>The Director of Property and Assets will be asked to approve the procurement and award of the refurbishment contract and associated expenditure.</p>	
<b>Decision by</b>	Andrew Edwards - Director of Property and Assets
<b>Date added</b>	23 November 2021
<b>Month</b>	February 2022
<b>Consultation/ Representations</b>	Local Member – Littlehampton Town / Cabinet Member for Finance and Property  Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Jeremy Rigby Tel: 033 022 26460
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Cabinet Member for Finance and Property****Reprocurement of the property project and programme Multi-disciplinary Consultancy Contract**

Over the coming five years, the County Council will be continuing to deliver a high-quality built environment through the planned Capital Programme. An essential part of this programme is to ensure the continued skilled technical expertise necessary to develop and deliver the design proposals for the projects.

The Cabinet Member for Finance and Property will be asked to approve the commencement of a procurement process to put in place a new Multi-Disciplinary Consultancy contract when the existing contract comes to an end in July 2023 and to delegate to the Executive Director Place Services the authority to award the contract. A further report will be published at that time.

<b>Decision by</b>	Cllr Hunt - Cabinet Member for Finance and Property
<b>Date added</b>	19 January 2022
<b>Month</b>	March 2022
<b>Consultation/ Representations</b>	Stakeholders/market suppliers Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Caroline Bridges Tel: 033 022 25691
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

**Director of Property and Assets****Award of Framework Agreements for Construction Framework**

The County Council carries out repair, maintenance and refurbishment work throughout the corporate estate. Following Cabinet Member decision [ECR06 20 21](#) a construction framework arrangement is being procured which will enable the County Council to place work orders with a variety of qualified contractors to deliver works that fall outside of the current maintenance contract. The works can include repairs and refurbishment as well as new build requirements where needed.

Authority was delegated to the Director of Property and Assets by the Cabinet Member decision, to award the Framework Agreements and any call-off contracts as a result of mini-competitions run under the Frameworks. The Director of Property and Assets will be asked to approve the award of Framework Agreements for the proposed Construction Framework.

<b>Decision by</b>	Andrew Edwards - Director of Property and Assets
<b>Date added</b>	19 August 2021
<b>Month</b>	April 2022

<b>Consultation/ Representations</b>	Cabinet Member for Finance and Property Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	none
<b>Author</b>	Jeremy Rigby Tel: 033 022 26460
<b>Contact</b>	Suzannah Hill Tel. 033 022 22551

## Support Services and Economic Development

### Cabinet Member for Support Services and Economic Development

<b>Endorsement Growth Programme funding: Littlehampton Public Realm Improvements, Terminus Road Phase</b>	
<p>In August 2018 the Arun Growth Deal, identified Littlehampton Public Realm Improvements (LHPRI) in the town centre as a priority for the regeneration of the West Sussex coastal economy.</p> <p>The LHPRI project is key to the economic regeneration of the Littlehampton coastal town centre, aligning with the Economic Reset Plan (2020-24) and 'Our Council Plan' (2021-25). The LHPRI scheme responds to the challenges posed by the COVID-19 pandemic and supports growth of the Littlehampton visitor economy and hospitality sector and promotes sustainable travel options and connectivity by upgrading the urban digital infrastructure. The County Council contribution is aligned to the recent Arun Levelling Up award.</p> <p>The Terminus Road phase aims to create an attractive environment and accessible public space around Littlehampton station. The design will create a gateway for visitors, with enhance access points, upgrades to paving and clear crossing points. The aim is to promote sustainable modes of transport such as walking and cycling, support carbon reduction and community connectivity and wellbeing benefits.</p> <p>The Cabinet Member for Support Services and Economic Development will be asked to approve the allocation of £1.253m from the remaining £5m agreed in February 2021 in the County Council budget for Growth Programme and to delegate to the Executive Director of Place Services, the delivery of the Littlehampton Public Realm Improvements Terminus Road Phase.</p>	
<b>Decision by</b>	Cllr Waight - Cabinet Member for Support Services and Economic Development
<b>Date added</b>	15 December 2021
<b>Month</b>	January 2022
<b>Consultation/ Representations</b>	Local Members Representation can be make via the officer contact.

<b>Background Documents</b> (via website)	None
<b>Author</b>	Nick Burrell Tel: 033 022 23881
<b>Contact</b>	Suzannah Hill Tel: 033 022 22551

### Director of Finance and Support Services

<b>Award of Contract: Design and Implementation Support Service</b>	
<p>In March 2021, the then Cabinet Member for Economy &amp; Corporate Resources approved a proposal via decision ECR07 20-21 to procure specialist resource to support the implementation of a Business Management Solution. As part of the decision, the Cabinet Member delegated authority to the Director of Finance and Support Services to progress the procurement. The proposed arrangement will be a capability and capacity contract, giving the Council flexibility to buy-in specialist resource to deliver specific outcomes in the programme when needed. The procurement process is now underway, and the Director of Finance and Support Services will be asked to award the contract to the successful bidder.</p>	
<b>Decision by</b>	- Director of Finance and Support Services
<b>Date added</b>	30 July 2021
<b>Month</b>	January 2022
<b>Consultation/ Representations</b>	Representation can be made via the officer contact. Consultees: Cabinet Member for Support Services and Economic Development
<b>Background Documents</b> (via website)	none
<b>Author</b>	Alistair Rush Tel: 033022 22002
<b>Contact</b>	Suzannah Hill 033 022 22551

### Director of Finance and Support Services

<b>Award of Contracts: Information Technology Services</b>	
<p>In December 2020 the Cabinet Member for Economy &amp; Corporate Resources approved a proposal via decision <u>ECR04 20-21</u>, to insource and recommission, through new contracts, the services currently provided by Capita through the Information Technology outsource contract.</p> <p>The Cabinet Member delegated authority to the Director of Finance and Support Services to progress the programme and commence procurement of Information Technology Services. In accordance with the decision procurement exercises are being undertaken. A decision was published in June 2021 (OKD06_20-21) concerning Service Desk and End User Compute Services. A further decision was published in December 2021 (OKD38_20-21) concerning Cloud Hosting. A remaining decision is due to be taken concerning Network Management Services.</p>	

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The Director of Finance and Support Services will be asked to award the contract(s) to the successful bidder(s).	
<b>Decision by</b>	Katharine Eberhart - Director of Finance and Support Services
<b>Date added</b>	14 April 2021
<b>Month</b>	February 2022
<b>Consultation/ Representations</b>	External consultants SOCITM, Director Law and Assurance, Cabinet Member for Support Services and Economic Development.  Representation can be made via the officer contact.
<b>Background Documents</b> (via website)	None
<b>Author</b>	Stewart Laird Tel: 033022 25310
<b>Contact</b>	Suzannah Hill 033 022 22551

**Cabinet Member for Support Services and Economic Development**

<b>Procurement: Customer Service Function</b>	
In preparation of the expiry of the Support Services Outsource (SSO) contract in September 2022, the Council intends to reprocure a Customer Service function from 01 October 2022.  The Cabinet Member for Support Services and Economic Development will be asked to endorse the procurement process and delegate authority to the Director of Communities to award a contract in due course. A further decision report will be published at that time.	
<b>Decision by</b>	Cllr Waight - Cabinet Member for Support Services and Economic Development
<b>Date added</b>	13 January 2022
<b>Month</b>	February 2022
<b>Consultation/ Representations</b>	Market suppliers  Representation can be made via the officer contact
<b>Background Documents</b> (via website)	None
<b>Author</b>	Julie Rendle-Eames Tel: 022 033 22234
<b>Contact</b>	Suzannah Hill Tel: 022 033 22551

## **Scrutiny Business Planning Checklist**

### **1. Priorities - Is the topic**

- a corporate or service priority? In what way?
- an area where performance, outcomes or budget are a concern? How?
- one that matters to residents? Why?

### **2. What is being scrutinised and Why?**

- What should the scrutiny focus be?
- Where can the committee add value?
- What is the desired outcome from scrutiny?

### **3. When and how to scrutinise?**

- When can the committee have most influence?
- What is the best approach - committee, TFG, one-off small group?
- What research, visits or other activities are needed?
- Would scrutiny benefit from external witnesses or evidence?

### **4. Is the work programme focused and achievable?**

- Have priorities changed – should any work be stopped or put back?
- Can there be fewer items for more in-depth consideration?
- Has sufficient capacity been retained for future work?

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**Performance and Finance Scrutiny Committee Work Programme**  
**January 2022 - March 2022**

<b>Topic</b>	<b>Corporate or Service priority</b>	<b>Performance, outcome or budget</b>	<b>Timing</b>
<p><b>Our Council Plan and Budget 2022/23</b></p> <p>Draft Budget - scrutiny of the draft budget including the Treasury Management and Capital Strategies to meet the priorities included within Our Council Plan.</p>	Corporate	Budget	January 2022
<p><b>Quarterly Performance and Resources Report (PRR)</b></p> <p>Performance, risk and budget monitoring: ongoing strategic monitoring of finance, performance, workforce, risk, strategic and business critical contracts, and capital programme.</p>	Corporate	Performance, outcome and Budget	Qtr3 March 2022  End of Year July 2022 (date TBC)
<p><b>Economic Reset Plan</b></p> <p>Resetting the economy is considered a key priority for the Council therefore BPG requested an item be brought to committee to scrutinise the progress in implementing the Plan.</p> <p>The Committee requested in-depth scrutiny of specific aspects of the Economic Plan at appropriate times, for example the Experience West Sussex initiative, plans to increase tourism within the county, and the interface with District and Borough council's own tourism programmes.</p> <p>BPG supported strategic scrutiny on Tourism with a view to referring any specific concerns for consideration by joint scrutiny with the relevant District or Borough councils if felt appropriate and councils are happy to engage.</p>	Corporate	Outcome	March 2022
<p><b>Asset Policy and Strategy</b></p> <p>To review the updated Asset Policy and Strategy documents, taking into</p>	Corporate	Performance and Outcome	March 2022

<b>Topic</b>	<b>Corporate or Service priority</b>	<b>Performance, outcome or budget</b>	<b>Timing</b>
consideration any amendments required due to changing work practices resulting from Covid-19, and feed in any comments to the review.			
<p><b>People Framework</b></p> <p>Scrutiny of progress made in meeting the aims and objectives included within the People Framework. As requested at committee in November 2021.</p>	Corporate	Performance	June 2022
<p><b>Scrutiny Annual Report</b></p> <p>PFSC to review the Scrutiny Annual Report which will summarise the main outcomes of scrutiny, best practice, lessons learnt and any development issues identified during 2021/22.</p> <p>To feed into the Annual Report BPG agreed an informal session at the end of the March PFSC meeting for Members to comment on what has worked well in 2021/22, what has not worked so well and to identify any training/development issues.</p>	Corporate	Performance	<p>June 2022</p> <p>March 2022</p>
<p><b>Property Joint Venture Partnership and Development Projects</b></p> <p>On an annual basis the committee will monitor the achievement of the aims of the JV Partnership, (March 2021 meeting of PFSC agreed that 6-monthly reports should be brought to the committee in the first two years to scrutinise progress in achieving the joint venture objectives).</p> <p>The Committee may scrutinise individual projects as they arise.</p>	Service	Outcome	September 2022
<p><b>TFG Capital Programme</b></p> <p>BPG agreed a TFG reviewing the Capital Programme - proposed to look at how Programme links to Council priorities, how</p>	Corporate	Performance, outcome and budget	June/Sept 2022

<b>Topic</b>	<b>Corporate or Service priority</b>	<b>Performance, outcome or budget</b>	<b>Timing</b>
the Programme is managed/monitored and how slippage is managed. Agreed that the focus would be re-visited after the January meeting of PFSC where the updated Capital Programme would be presented.			
<b>Business Planning Group</b>			
<b>Property Developments</b>  Horsham Enterprise Park and Broadbridge Heath Retail scheme to be scrutinised at an appropriate time in the developments.	Service	Outcome	TBC
<b>Smartcore Project (SAP Replacement)</b>  BPG to continue to monitor the progress of the project with a view to formally scrutinising the project and implementation of new system in Autumn 2022.	Corporate	Outcome	TBC, provisionally Sept 2022
<b>TFG proposed to review arrangements in relation to commissioning/procurement/contract management.</b>  BPG to consider outcomes required. Potential timescale of March 2023.	Corporate	Outcome	TBC

**Appendix A - Checklist**

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