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All Members of the Council
(and those on the circulation list)

12 July 2016

Please ask for:
Jane Fulton
Committee Manager

Dear Member

Full Council Meeting – 20 July 2016 – Bundle 2

Please find attached further papers to be considered at the Council Meeting on 20 July 2016:

Item 26 [Audit & Governance Committee – 30 June 2016]

Please find **attached** the Minutes from the meeting of the Audit & Governance Committee held on 30 June 2016. There are a series of recommendations at:

- Minute 68 [Treasury Management – Annual Report 2015/2016] – the Officer's report is **attached**.
- Minute 70 [Chairman's Annual Report to Full Council – 2015/2016] – the Officer's report is **attached**.

Item 27 [Local Plan Sub-Committee – 30 June 2016]

Please find **attached** the Minutes from the meeting of the Local Plan Sub-Committee held on 30 June 2016. There is a recommendation at:

- Minute 8 [Felpham Conservation Area Character Appraisal] – the Officer's report is **attached** along with Appendix 2. Due to the number of pages within Appendix 1 – this can be accessed by clicking on the following link.
<http://www.arun.gov.uk/download.cfm?doc=docm93jjm4n9251.docx&ver=9080>
Hard copies have been provided in the Members' Room.

/Cont'd Over

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Item 28 [Littlehampton Regeneration Sub-Committee – 6 July 2016]

Please find **attached** the Minutes from the meeting of the Littlehampton Regeneration Sub-Committee held on 6 July 2015. There are a range of recommendations at:

- Minute 3 [Littlehampton Town Centre – Public Realm Improvements – Design Proposals and Project Delivery] – the Officer's report is **attached**. Due to the number of pages contained within the Appendices to this report - these can be accessed by clicking on the following links:
LH TC Public Realm Design Proposals LDA Appendix 1
<http://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n9260.pdf&ver=9089>
LH TC Public Realm Improvements Survey Report Appendix 2
<http://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n9259.pdf&ver=9088>
- Minute 4 [Littlehampton Promenade Shelter Project] – the Officer's report is **attached**.
- Minute 5 [Littlehampton Economic Growth Area Development Delivery Study] – the Officer's report is **attached**.

Item 29 [Licensing & Enforcement/Licensing Committee – 8 July 2016]

Please find **attached** the Minutes from the meeting of the Licensing & Enforcement/Licensing Committee held on 8 July 2016. There is one recommendation at:

- Minute 80 [Review of Mobile Homes Licensing Fees Policy] – the Officer's report is **attached**.

Item 30 [Cabinet – 11 July 2016]

The Minutes from the meeting of Cabinet held on 11 July 2016 will be circulated to Members **separately**.

Item 31 [Environment and Leisure Working Group – 28 June 2016]

Please find **attached** the Minutes from the meeting of the Environment & Leisure Working Group held on 28 June 2016. There are recommendations at:

- Minute 6 [Change of Name and Terms of Reference] – the Officer's report is **attached**.

Cont'd Over

12 July 2016

Item 32 [Housing & Customer Services Working Group – 7 July 2016]

Please find **attached** the Minutes from the meeting of the Housing & Customer Services Working Group held on 7 July 2016. There are recommendations at:

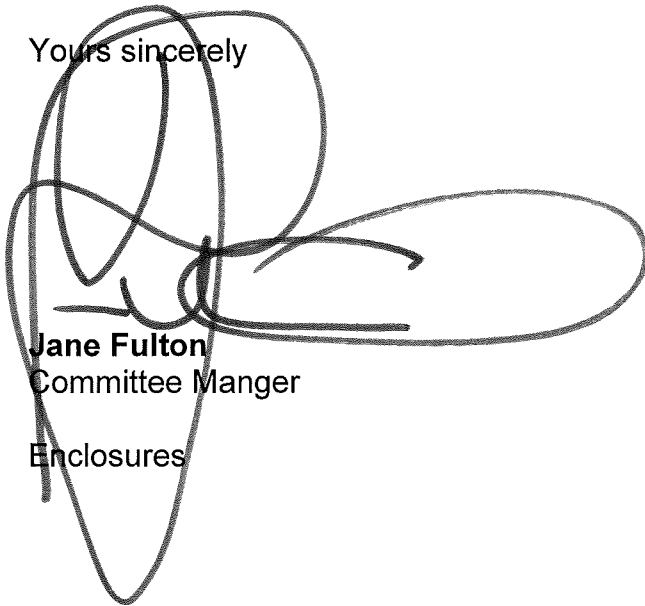
- Minute 7 [Terms of Reference] – the Officer's report is **attached**.

Item 36 [The Council's 2020 Vision – Working Together for a Better Future]

This report and associated appendices is **attached**.

Please can you bring your copy of these papers along with you to the meeting.

Yours sincerely

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Jane Fulton
Committee Manger

Enclosures

AUDIT & GOVERNANCE COMMITTEE

30 June 2016 at 9.30 am

Present: - Councillors Clayden, (Chairman), Mrs Oakley, (Vice-Chairman), L Brown, Edwards, Mrs Porter, Miss Rhodes and Wheal.

[Note: Councillor Edwards was absent from the meeting during consideration of the matters referred to within Minute 72 [Part] to Minute 73].

56. WELCOME

The Chairman welcomed the Audit Manager from Ernst & Young and Officers from the Internal Audit and Finance teams to the meeting.

The Chairman formally welcomed Councillors Edwards, Mrs Porter and Wheal as new Members to the Committee.

57. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Brooks, D Maconachie and Mrs Maconachie.

58. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the Government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions on the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a member declares a “Prejudicial Interest”, this will, in the interests of clarity for the public, be recorded in the minutes as a Prejudicial and Pecuniary Interest.

There were no Declarations of Interest made.

59. MINUTES

The Minutes of the meeting of the Committee held on 25 February 2016 were approved by the Committee as a correct record and were signed by the Chairman.

60. START TIMES

The Committee

RESOLVED

That its start times for meetings during 2016/2017 be 9.30 am.

61. DRAFT COMMITTEE WORK PLAN FOR 2016/2017

The Committee received a report from the Chief Internal Auditor who presented the draft Work Plan for the Committee for 2016/2017 which Members were asked to approve. For the benefit of new Members, it was explained that the Committee, at the start of each municipal year, was required to agree its Work Plan but that it did have the flexibility to request Officer reports as required.

Although there was little change proposed to the core activities for 2016/2017, the Chief Internal Auditor highlighted the following issues:

- Due to the Local Audit and Accountability Act there would be new arrangements that would need to be put into place for the future appointment of external auditors. A Council decision on the mechanism to be adopted would be required by January 2017 to allow for the appointment of external auditors for 2018/2019.
- As part of the Council’s 2020 Vision work arrangements the future provision of internal audit was being considered. Once the debate on this had taken place at Cabinet on 11 July and then Full Council on 20 July 2016, arrangements would be made to update the Committee further on this issue.

Finally, as required by the Council's Constitution, the Work Plan included an item to receive a report on any Council use of the Regulation of Investigatory Powers Act (RIPA) 2010 (as amended). The Committee was informed and was asked to endorse that for the 2016/2017 Municipal Year, no such RIPA use had been authorised/undertaken.

Following some further discussion, the Committee then

RESOLVED – That

(1) the Committee's future Work plan for 2016/2017 be approved; and

(2) the lack of use of RIPA powers in the 2015/2016 Municipal Year be endorsed.

62. AUDIT OF ARUN DISTRICT COUNCIL'S FINANCIAL STATEMENTS – COMPLIANCE WITH INTERNATIONAL AUDITING STANDARDS

The Committee received and noted the Chairman's response sent to Ernst & Young regarding the Council's Financial Statements and compliance with International Auditing Standards.

63. ERNST & YOUNG – AUDIT PLAN

The Committee again welcomed the Audit Manager from Ernst & Young to the meeting to present the Audit Plan.

The Audit Plan set out how Ernst & Young intended to carry out its responsibilities as external auditor and it covered the work that Ernst & Young proposed to perform in undertaking its proposed audit approach and scope for the 2016 audit. This was in accordance with the requirements of the Local Audit and Accountability Act 2014; the Code of Audit Practice; the Standing Guidance; auditing standards and other professional requirements.

The report summarised Ernst & Young's assessment of the key risks and it helped to ensure that the audit was aligned with the Committee's other expectations.

The Audit Manager outlined that the Audit Plan would provide the Council with an audit opinion on whether the financial statements of the Council gave a true and fair view of the financial position as at 31 March 2016 and of the income and expenditure for the year then ended and a statutory conclusion on the Council's arrangements to secure economy, efficiency and effectiveness.

The Audit Manager then drew Members' attention to the key points within the Audit Plan.

The Committee

RESOLVED

That Ernst & Young's Audit Plan be approved.

64. ERNST & YOUNG – ANNUAL FEE LETTER – 2016/2017

The Committee received and noted Ernst & Young's Annual Fee Letter for 2016/2017 which confirmed the audit and certification work proposed for the 2016/2017 financial year at the Council. The fee reflected the risk-based approach to audit planning set out in the Code of Audit Practice and the work overseen by Public Sector Audit Appointments Limited, as the current commissioning body).

65. APPROVAL OF ACCOUNTING POLICIES

The Committee was asked to consider and agree the Accounting Policies that would be applied to the Statement of Accounts for 2015/2016 which would be agreed by the Committee in September 2016.

The Committee then

RESOLVED

That the Accounting Policies could be applied to the Statement of Accounts for 2015/2016.

66. COMPLETION OF 2015/2016 ANNUAL ACCOUNTS/DRAFT ACCOUNTS

The Head of Finance and Property confirmed that the Council's 2015/2016 Annual Accounts had been completed by the end of June 2016 and would be presented for review and sign-off by the Committee at its September 2016 meeting.

67. ANNUAL GOVERNANCE STATEMENT 2015/2016 AND CODE OF CORPORATE GOVERNANCE 2016/2017

The Committee received a report from the Chief Internal Auditor which presented two documents for the Committee to approve.

The first was the draft updated Annual Governance Statement which formally accompanied the annual accounts and covered the period of the accounts 2015/2016. This was a backward looking document that had been prepared for and considered by the Council's Governance and Risk Group based upon the Council's local Code of Corporate Governance and other supporting documentation, including the Council's Strategic Risk Register and the annual audit opinion provided by the Chief Internal Auditor.

The Chief Internal Auditor outlined to the Committee that for this year the Annual Governance Statement had been presented in the same format used for recent years but that in April 2016, CIPFA had published its new Delivering Good Governance in Local Government framework and associated Guidance Note meaning that in future years, and for the preparation for future Statements, the Council would be required to assess it against amended governance criteria and the format of the document presented would need to be revised to ensure that it met new requirements.

The second document was the draft Code of Corporate Governance which had also been considered by the Governance and Risk Group. Both documents had been updated to reflect relevant changes and progress made by the Council in 2015/2016. The Committee was alerted to the required changes which had been highlighted in grey with the most significant changes relating to the Council's ongoing Vision work. The Chief Internal Auditor also briefly touched upon the other key changes included.

The Committee then

RESOLVED – That

(1) the changes to the local Code of Corporate Governance be endorsed; and

(2) the Council's Annual Governance Statement for 2015/2016 be approved.

68. TREASURY MANAGEMENT – ANNUAL REPORT 2015/2016

The Senior Accountant/Treasury & Investment Officer presented the Treasury Management Annual Report for 2015/2016 to the Committee for it to scrutinise prior to making the proposed recommendations to Full Council.

The Committee was advised that this report summarised:

- Capital activity during the year;
- The impact of this activity on the Capital Financing Requirement;
- Reports on the required prudential and treasury indicators;
- The overall treasury position and the impact of investment balances;
- Interest rate movements in the year; and
- Investment outturn for 2015/2016.

Having congratulated staff in achieving such good returns on its investments, the Committee

RECOMMEND TO FULL COUNCIL – That

(1) the actual prudential and treasury indicators for 2015/2016 contained in the report be approved;

(2) the treasury management report for 2015/2016 be noted;

(3) the treasury activity during 2015/2016 which has generated interest receipts of £660,723 (1.13%) (Budget £435,000 – 0.87%) be noted.

69. COUNTER-FRAUD REPORT 2015/2016

The Committee received a report from the Chief Internal Auditor which explained that as part of the annual work plan for the Committee, an annual report on counter-fraud activity had to be presented for endorsement.

This report updated the Committee on Counter-Fraud for 2015/2016 and included a number of appendices of supporting information which the Committee worked through.

Questions asked related to:

- Housing Tenancy – the Committee was pleased with the progress made and the results delivered from the pilot exercise that had started in 2016 with the creation of a dedicated Housing Fraud Investigator post, which had been funded through the HRA – (Housing Revenue Account). The results showed that in the first quarter, 35 cases had been referred for investigation with 22 still in progress. Councillor Clayden, also as the Chairman of the Housing and Customer Services Working Group, was able to update the Committee by confirming that 9 properties linked to housing tenancy fraud investigations had now been recovered allowing placement of new tenants from the Housing Register. Due to the results that this post was delivering, the Committee wished to have placed on record its view that the temporary Housing Fraud Investigator post should be extended and measures should be put into place to look at making the position permanent.
- Council Tax Single Person Discount – for the benefit of new Members to the Committee, the Chief Internal Auditor explained how the review of the single person discount entitlement worked and the success such work had brought. As a result of such work, 501 accounts had had the Single Person Discount (SPD) removed with an approximate rebilling value of £200k. Although this was good news, Councillor Wheal asked if he and the rest of the Committee could be provided with information in terms of how much this cost the authority. The Chief Internal Auditor ensure Councillor Wheal that this would be provided to him and the rest of the Committee via email. The Chief Internal Auditor confirmed that he would make enquiries on this and would provide the information to the Committee.

The Committee then

RESOLVED

That the Counter-Fraud work performed by the Council in 2015/2016 be endorsed.

70. CHAIRMAN'S ANNUAL REPORT TO FULL COUNCIL – 2015/2016

The Chairman presented the annual report on the work of the Audit and Governance Committee for 2015/2016 for Members to consider. Councillor Mrs Oakley, as Chairman of the Committee for 2015/2016, wished to have formally recorded her thanks to the Chief Internal Auditor for his help and assistance in its preparation.

The Committee

RECOMMEND TO FULL COUNCIL

That the Chairman's Annual Report for 2015/2016 be presented to Full Council for approval.

71. INFORMATION/ADVISORY DOCUMENTS RECEIVED

The Committee received and noted the information/advisory documents received, as attached to the agenda.

72. INTERNAL AUDIT ANNUAL REPORT AND OPINION 2015/2016

The Committee received the Internal Audit Annual Report and Opinion for 2015/2016 from the Chief Internal Auditor. This summarised the work undertaken by Internal Audit during the year ended 31 March 2016.

The Committee was advised that the report confirmed the Chief Internal Auditor's 'independent' opinion on the adequacy and effectiveness of the systems of internal control operating within the Council. This would provide the signatories to the Annual Governance Statement (the Chief Executive and the Leader of the Council) with a degree of assurance on this matter. In reaching the opinion, consideration had been given to the Council's governance arrangements and to the internal control environment in the light of the work of Internal Audit carried out throughout the year.

Consideration had also been given to the findings of the Council's external auditors, Ernst & Young, who had given an unqualified opinion to the Council's Annual Accounts for 2014/15, which had been approved by the Committee in September 2015.

The Committee was again advised that the Public Sector Internal Audit Standards (PSIAS) required that internal audit be subject to an external quality assessment at least once every 5 years by a qualified independent assessor/assessment team from outside the organisation. It was anticipated that this would be undertaken as part of a programme of assessments undertaken by the Sussex Audit Group commencing in early 2016. This Council's assessment was currently expected to be conducted in late 2016 or 2017 by Heads of Audit from two District Councils in East Sussex. Further updates on this would be report to the Committee at its next meeting.

Since 2010, annual additional documents had been reviewed and approved by the Committee covering:

- Self-Assessment Checklist Measuring the Effectiveness of Internal Audit; and
- Self-Assessment Checklist Measuring the Audit Committee's Effectiveness

Both of these documents had been added to the report as appendices and once endorsed by the Committee would be signed by the Chairman following the meeting.

The Committee

RESOLVED

That the work carried out by Internal Audit in 2015/2016 be endorsed.

73. PROGRESS AGAINST THE AUDIT PLAN

The Committee received and noted a report from the Chief Internal Auditor which monitored the delivery of progress made against last year's Audit Plan. A supplementary status report was also provided.

(The meeting concluded at 11.43 am.)

ARUN DISTRICT COUNCIL
AUDIT AND GOVERNANCE COMMITTEE
30 JUNE 2016

Decision Paper

Subject : Treasury Management – Annual Report 2015/16

Report by : Sian Southerton, Senior Accountant / Treasury & Investment Officer

Report date : June 2016

EXECUTIVE SUMMARY

To report on the Treasury Management activities for the year 2015/16.

RECOMMENDATIONS

The Committee is requested to recommend Full Council to:

- (i) approve the actual prudential and treasury indicators for 2015/16 contained in the report;
- (ii) note the treasury management report for 2015/16; and
- (iii) note the treasury activity during 2015/16 which has generated interest receipts of £660,723 (1.13%). (Budget £435,000-0.87%)

1.0 INTRODUCTION

This Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2015/16. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2015/16 the minimum reporting requirements of the code were met and Full Council received the following reports:

- the annual treasury strategy report in advance of the year (Council 11/03/15).

- the mid year treasury update reports on 11 November 2015 and 13 January 2016.
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

The Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Audit and Governance Committee before they were reported to Full Council.

Members of the Audit and Governance Committee, Cabinet and Overview Select Committee were invited to attend a workshop presented by Capita Asset Services (Treasury advisors) explaining the roles and responsibilities of elected members and giving them an economic update. The latest session was held on 10 December 2015.

The Annual Treasury Management Report for 2015/16 summarises:

- Capital activity during the year;
- Impact of this activity on the Capital Financing Requirement;
- Reporting on the required prudential and treasury indicators;
- Treasury position and the impact of investment balances;
- Detailed debt activity; and
- Detailed investment activity.

2.0 THE ECONOMY AND INTEREST RATES

Market expectations for the first increase in Bank Rate moved considerably during 2015/16, starting at quarter 3 2015 but soon moving back to quarter 1 2016. However, by the end of the year, market expectations had moved back radically to quarter 2 2018 due to many fears including concerns that China's economic growth could be heading towards a hard landing; the potential destabilisation of some emerging market countries particularly exposed to the Chinese economic slowdown; and the continuation of the collapse in oil prices during 2015 together with continuing Eurozone growth uncertainties.

These concerns have caused sharp market volatility in equity prices during the year with corresponding impacts on bond prices and bond yields due to safe haven flows. Bank Rate, therefore, remained unchanged at 0.5% for the seventh successive year.

Economic growth (GDP) in 2015/16 has been disappointing with growth falling steadily from an annual rate of 2.9% in quarter 1 2015 to 2.1% in quarter 4.

The sharp volatility in equity markets during the year was reflected in sharp volatility in bond yields. However, the overall dominant trend in bond yields since July 2015 has been for yields to fall to historically low levels as forecasts for inflation have repeatedly been revised downwards and expectations of increases in central rates have been pushed back. In addition, a notable trend in the year was that several central banks introduced negative interest rates as a measure to stimulate the creation of credit and hence economic growth.

The ECB commenced a full blown quantitative easing programme of purchases of Eurozone government and other bonds starting in March at €60bn per month. This put downward pressure on Eurozone bond yields. There was a further increase in this programme of QE in December 2015.

As for America, the economy has continued to grow healthily on the back of resilient consumer demand. The first increase in the central rate occurred in December 2015 since when there has been a return to caution as to the speed of further increases due to concerns around the risks to world growth.

The UK elected a majority Conservative Government in May 2015, removing one potential concern but introducing another due to the promise of a referendum on the UK remaining part of the EU. The government maintained its tight fiscal policy stance but the more recent downturn in expectations for economic growth has made it more difficult to return the public sector net borrowing to a balanced annual position within the period of this parliament.

3.0 THE COUNCIL'S CAPITAL EXPENDITURE AND FINANCING 2015/16

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2014/15 Actual £,000	2015/16 Original £,000	2015/16 Actual £,000
Non-HRA capital expenditure	2,438	4,418	1,950
HRA capital expenditure	2,480	2,572	2,096
HRA Settlement	-	-	-
Total capital expenditure	4,918	6,990	4,046
Resourced by:			
• Capital receipts	13	883	0
• Capital grants	1,593	627	1,521
• Capital reserves	2,357	2,462	2,096
• Revenue	955	3,018	429
	4,918	6,900	4046
Unfinanced capital expenditure	0	0	0

4.0 THE COUNCIL'S OVERALL BORROWING NEED

During the financial year the Council operated within the treasury limits and Prudential Indicators set out in the Council's annual Treasury Strategy Statement (summary in appendix1).

The authority has no debt other than that taken out for the HRA Self-Financing (March 2012) however there are occasions when it is beneficial to make use of the Council's overdraft facility (£100,000) and this was required on 2 occasion in 2015/16 costing the Council 0.58p.

The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board [PWLB] or the money markets), or utilising temporary cash resources within the Council.

The CFR increases when capital expenditure is incurred but not financed and reduces when amounts are set aside for loan repayments

The Council's CFR for the year is shown below, and represents a key prudential indicator:

CFR	2014/15 Actual £,000	2015/16 Original £,000	2015/16 Actual £,000
Opening balance	61,176	57,632	57,632
Add unfinanced capital expenditure (self-financing settlement payment)	0	0	0
Less Voluntary Revenue Provision (VRP)	3,544	3,544	3,544
Closing balance	57,632	54,088	54,088

The borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

Arun's only borrowing relates to the HRA Self-Financing settlement (currently £62.04m). Prior to this borrowing being undertaken Arun had a negative CFR of £2.6m which has arisen over a number of years and was due more to changes in the capital accounting regulations rather than to any specific policy decision. As a result of this Arun's gross debt exceeds its CFR and is likely to continue to do so in the short term.

The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The authorised limit was not breached in 2015/16.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

5.0 TREASURY POSITION AS AT 31 MARCH 2015

The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices.

During 2015/16, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2014/15 Actual £000	2015/16 Original £000	2015/16 Actual £000
Capital expenditure	4,918	6,990	4,046
Total Debt	62,040	62,040	62,040
Capital Financing Requirement at 31 st March 2016:			
• Non-HRA	-4,978	-4,978	-4,978
• HRA	62,610	59,066	59,066
• Total	57,632	54,088	54,088
Over / (under) borrowing	4,408	7,952	7,952
Investments			
• Longer than 1 year	13,000	n/a	11,000
• Under 1 year	35,325	n/a	45,113
• Total	48,325	n/a	56,113

Other prudential and treasury indicators are to be found in the main body of this report and appendix 1.

The base rate has not changed since March 2009 and the 2015/16 financial year continued the challenging environment of previous years; with statically low interest rates and therefore returns, although the introduction of the CCLA property fund in 2015 has enhanced returns.

At the beginning and the end of 2015/16 the Council's treasury position was as follows:

Investments / Debt	2014/15 Rate/ Return (actual)	31 st March 2015 Principal	2015/16 Rate / Return (budget)	2015/16 Rate / Return (Actual)	31 st March 2016 Principal
Total Investments	1.02%	£48.33m	0.87%	1.13%	£56.11m
Total Debt	2.75%	£62.04m	2.75%	2.75%	£62.04m

The exposure to fixed and variable rates was as follows;

	31 st March 2015 Actual		2015/16 Original Limits	31 st March 2016 Actual	
	£,000	%	%	£,000	%
Fixed rate (interest)	563	94	100	546	83
Variable rate (interest)	36	6	20	113	17

The maturity structure of the debt portfolio is shown in appendix 1.

6.0 THE STRATEGY FOR 2015/16

The expectation for interest rates within the strategy for 2015/16 anticipated low but rising Bank Rate (starting in quarter 1 of 2016), and gradual rises in medium and longer term fixed borrowing rates during 2016/17. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

There was no movement in bank Rate throughout the year and has not been since March 2009. However, the Council took advantage of some longer term deposits and a property fund investment, both at favourable interest rates for the current climate, in order to lock some certainty into the portfolio.

Change in strategy during the year – the strategy adopted in the original Treasury Management Strategy Report for 2015/16 approved by the Council on 11/03/15 was subject to no revisions during the year.

A full list of the Council's approved counterparties is included in appendix 2.

The spread of investments over a larger number of institutions has been challenging over the last few years and there was little improvement in 2015/16 although the introduction of a 2 new counterparties (Goldman Sachs International bank and Close Brothers) has aided the cause. The amount of funds available to invest increased again as a result of slippage (Capital programme), section 106 sums received, New Homes Bonus and small grants income.

7.0 BORROWING OUTTURN FOR 2015/16

Maturity loans for £70.902m were taken out on the 28th March 2012 to fund the new HRA self-financing system. One of these loans was repaid in March 2015 reducing the borrowing to £62.04m as shown below. A further £8.86m is due to be repaid on 28 March 2017.

<u>Lender</u>	<u>Principal</u>	<u>Type</u>	<u>Interest Rate</u>	<u>Maturity</u>
PWLB	£8.860m	Maturity	1.24%	28/3/2017
PWLB	£8.860m	Maturity	1.99%	28/3/2020
PWLB	£8.860m	Maturity	2.40%	28/3/2022
PWLB	£8.870m	Maturity	3.21%	28/3/2030
PWLB	£8.870m	Maturity	3.40%	28/3/2035
PWLB	£8.860m	Maturity	3.53%	28/3/2050
PWLB	£8.860m	Maturity	3.48%	28/3/2062
	£62.04m		2.75%	

A maturity loan is a bullet repayment loan which essentially means that you borrow at the start date, interest is paid on a semi-annual basis throughout the life of the loan and the principal is repaid at maturity. A maturity loan reduces exposure to risk of future rises in interest rates and the council has locked into very low borrowing rates. The average rate of these loans at 31 March 2016 was 2.75%.

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

8.0 INVESTMENT OUTTURN IN 2015/16

Investment Policy – the Council’s investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council 11th March 2015. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and subsequent reports and the Council had no liquidity difficulties.

Resources – the Council’s longer term cash balances comprise, primarily, revenue and capital resources, although these will be influenced by cash flow

considerations. The Council's core cash resources comprised as follows, and met the expectations of the budget:

Balance Sheet Resources (£m)	31 March 2015 £m	31 March 2016 £m
Balances	18.4	18.1
Earmarked reserves	11.5	13.2
Provisions	1.3	2.1
Usable capital receipts	10.0	11.8
Total	41.2	45.2

The Council maintained an average balance of approximately £58m of internally managed funds. The internally managed funds earned an average rate of return of 1.13%. The comparable performance indicator is the average 7-day LIBID rate, uncompounded, which was 0.36%. This compares with a budget assumption of £50m investment balances earning an average rate of 0.87%.

A full list of investments at the 31 March 16 is included in appendix 3 and appendix 4 shows a comparison of the Councils investments against other Councils which puts our performance in a favourable light.

Please note - The actual figures for 2015/16 have not yet been audited, so may be subject to change.

Background Papers:

CIPFA'S Treasury Management in the Public Services: Code of Practice (2011)

(Link not available as copyright)

The Prudential Code for Capital Finance in Local Authorities (2011) Guidance notes (2013) *(Link not available as copyright)*

The Local Government Act 2003 (www.legislation.gov.uk/ukpga/2003/26/content)

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sian.southerton@arun.gov.uk @arun.gov.uk

Prudential and treasury indicators

Appendix 1

1. PRUDENTIAL INDICATORS	2014/15	2015/16	2015/16
Extract from budget and rent setting report	Actual	Original	Actual
	£'000	£'000	£'000
Capital Expenditure			
Non – HRA	2,438	4,418	1,950
HRA	2,480	2,572	2,096
TOTAL	4,918	6,990	4,046
Ratio of financing costs to net revenue stream			
Non - HRA	-2.03%	-1.77%	-2.34%
HRA	33.30%	32.70%	32.30%
Capital Financing Requirement as at 31 March			
Non – HRA	-4,978	-4,978	-4,978
HRA	62,610	59,066	59,066
TOTAL	57,632	54,088	54,088
Annual change in Cap. Financing Requirement			
Non – HRA	0	0	0
HRA	-3,544	-3,544	-3,544
TOTAL	-3,544	-3,544	-3,544
Incremental impact of capital investment decisions	£ p	£ p	£ p
Increase in council tax (band D) per annum	36.78*	2.60	2.60
Increase in average housing rent per week	-3.66	1.57	20.26**

* Increase due to East bank and Hotham Park cafe

** Increase due to HRA aquisition / new build

2. TREASURY MANAGEMENT INDICATORS	2014/15	2015/16	2015/16
	Actual	Original	Actual
	£'000	£'000	£'000
Authorised Limit for external debt			
Borrowing	75,000	67,000	67,000
Other long term liabilities	0	0	0
TOTAL	75,000	67,000	67,000
Operational Boundary for external debt			
Borrowing	72,000	64,000	64,000
other long term liabilities	0	0	0
TOTAL	72,000	64,000	64,000
Actual external debt	62,040	62,040	62,040
Maximum HRA Debt limit	81,630	81,630	81,630
Upper limit expressed as a proportion of total interest earned:			
Fixed interest rate exposure	100%	100%	100%
Variable interest rate exposure	20%	40%	40%
Upper limit for total principal sums invested for over 364 days	26,000	26,000	26,000

Maturity structure of fixed rate borrowing - upper & Lower limits	Actual at 31/03/16	lower limit	upper limit
under 12 months	14.28%	0%	40%
12 months and within 24 months	0%	0%	40%
24 months and within 5 years	14.28%	0%	50%
5 years and within 10 years	14.28%	0%	60%
10 years and above	57.16%	0%	100%

LIST OF AUTHORISED COUNTERPARTIES**Category 1 - Limit of £12 million for each institution - Maximum investment period - 5 Years**

		<u>Long</u> <u>Term</u>	<u>Short</u> <u>Term</u>
Min Criteria	Fitch	AA-	F1+
	Moody	Aa3	P-1
	S&P	AA-	A-1+

All Local Authorities

Bank of Nova Scotia (CAN)
 DBS Bank Ltd (SING)
 Oversea-Chinese Banking Corp Ltd (SING)
 Svenska Handelsbanken (SW)
 United Overseas Bank Ltd (SING)
 National Bank of Abu Dhabi (U.A.E)
 Qatar National Bank (Qatar)

Category 2 - Limit of £11 million for each institution - Maximum investment period - 3 Years

		<u>Long</u> <u>Term</u>	<u>Short</u> <u>Term</u>
Min Criteria	Fitch	A+	F1
	Moody	A1	P-2
	S&P	A+	A-1

Lloyds Banking Group (Bank of Scotland / Lloyds)
 Standard Chartered Bank (UK)

Category 3 - Limit of £8 million for each institution - Maximum investment period - 2 Years

		<u>Long</u> <u>Term</u>	<u>Short</u> <u>Term</u>
Min Criteria	Fitch	A-	F1
	Moody	A3	P-2

S&P A- A-1

Barclays Bank plc (UK)
 Deutsche Bank (GER)
 Goldman Sachs International Bank (UK)
 Nationwide Building Society (UK)
 Santander (UK)
 Close Brothers (UK)

Category 4 - Limit of £4 million for each institution - Maximum Investment period - 1 year Building Society with Assets greater than £10 billion

Coventry Building Society (UK)
 Leeds Building Society (UK)
 Skipton Building Society (UK)
 Yorkshire Building Society (UK)

Category 5 - Council's Bank

NO LIMIT - same as category 1

HSBC Bank plc

Category 6 - Limit of £11 million for each institution - Maximum investment period - 3 Years

banks effectively nationalised by UK government

		<u>Long</u>	<u>Short</u>
		<u>Term</u>	<u>Term</u>
Min Criteria	Fitch	BBB-	F3
	Moody	Baa3	P-3
	S&P	BBB-	A-3

Royal Bank of Scotland plc/National Westminster Bank plc
 (UK)(Nationalised)

Category 7 - Collective Investment Schemes structured as Open Ended Investment Companies (OEICs) MONEY MARKET FUNDS and Government Liquidity Funds

Limit of £4million for each institution

CCLA Investment Management Ltd	AAAmmf	Stable NAV
Deutsche Banking Group	Aaa -mf	Stable NAV
Federated Investors Ltd (Fitch Ratings)	AAAmmf	Stable NAV
Fidelity Investments International (Moody's Rating)	Aaa -mf	Stable NAV
Standard Life Investors (<i>Ignis Liquidity Fund</i>) (Fitch Ratings)	AAAmmf	Stable NAV
Northern Trust	Aaa -mf	Stable NAV

Category 8 - Collective Investment Schemes structured as Open Ended Investment Companies (OEICs) – Enhanced Money Market Funds

Limit of £4million for each institution

Category 9 - Debt Management Office

Debt management Account - NO LIMIT (UK Govt)

Category 10 - Bonds issued by multilateral development banks - 5 Years

Maximum investment £4 million

Category 11 – Property Funds - 25 Years

Maximum investment £4 million

CCLA

INVESTMENTS at 31st March 2016

Appendix 3

Type of Investment/Deposit	Reference no.	Counterparty	Issue Date	Maturity Date	Nominal	Current Interest Rate
Fixed Term Deposit	542	Barclays	02/04/2014	04/04/2016	£1,000,000.00	1.2400
Fixed Term Deposit	543	Royal Bank of Scotland	04/04/2014	04/04/2016	£1,000,000.00	1.2600***
Fixed Term Deposit	569	Lloyds Bank plc	09/04/2015	08/04/2016	£1,000,000.00	1.0000
Fixed Term Deposit	597	Goldman Sachs International	15/01/2016	14/04/2016	£2,000,000.00	0.5950
Fixed Term Deposit	570	Santander UK Plc	27/04/2015	26/04/2016	£2,000,000.00	1.0300
Fixed Term Deposit	571	Skipton B/S	27/04/2015	27/04/2016	£1,000,000.00	1.0000
Fixed Term Deposit	595	Close Brothers	30/10/2015	29/04/2016	£1,000,000.00	0.6500
Fixed Term Deposit	574	Lloyds Bank plc	14/05/2015	12/05/2016	£1,000,000.00	1.0000
Fixed Term Deposit	596	United Overseas Bank (UOB)	10/11/2015	24/05/2016	£1,000,000.00	0.6200
Fixed Term Deposit	575	Skipton B/S	27/05/2015	25/05/2016	£1,000,000.00	1.0000
Fixed Term Deposit	576	Santander UK Plc	27/05/2015	25/05/2016	£1,000,000.00	1.0500
Fixed Term Deposit	577	Nationwide B/S	27/05/2015	25/05/2016	£2,000,000.00	0.9000
Fixed Term Deposit	578	Barclays Commercial Bank	27/05/2015	25/05/2016	£2,000,000.00	0.9500
Fixed Term Deposit	580	Skipton B/S	08/06/2015	06/06/2016	£2,000,000.00	1.0000
Fixed Term Deposit	581	Santander UK Plc	09/06/2015	07/06/2016	£2,000,000.00	0.9800
Fixed Term Deposit	582	Santander UK Plc	10/07/2015	08/07/2016	£2,000,000.00	1.0000
Fixed Term Deposit	583	Lloyds Bank plc	10/07/2015	08/07/2016	£1,000,000.00	1.0000
Fixed Term Deposit	584	Barclays Commercial Bank	13/07/2015	11/07/2016	£1,000,000.00	0.9800
Fixed Term Deposit	559	Royal Bank of Scotland	14/08/2014	15/08/2016	£1,000,000.00	1.6400
Fixed Term Deposit	525	Royal Bank of Scotland	04/09/2013	05/09/2016	£1,000,000.00	1.6500
Fixed Term Deposit	590	Goldman Sachs International	10/09/2015	08/09/2016	£2,000,000.00	1.0100
Fixed Term Deposit	526	Lloyds	11/09/2013	09/09/2016	£1,000,000.00	1.4500
Fixed Term Deposit	563	Lloyds	03/10/2014	03/10/2016	£2,000,000.00	1.2900
Fixed Term Deposit	592	Lloyds Bank plc	07/10/2015	05/10/2016	£1,000,000.00	1.0500
Fixed Term Deposit	593	Lloyds Bank plc	19/10/2015	17/10/2016	£1,000,000.00	1.0500
Fixed Term Deposit	594	Nationwide B/S	28/10/2015	28/10/2016	£2,000,000.00	0.9000
Fixed Term Deposit	529	Lloyds	19/11/2013	21/11/2016	£1,000,000.00	1.6500*
Fixed Term Deposit	536	Royal Bank of Scotland	21/01/2014	23/01/2017	£2,000,000.00	1.5000**
Fixed Term Deposit	585	Close Brothers	24/07/2015	26/01/2017	£1,000,000.00	1.5100
Fixed Term Deposit	587	Close Brothers	07/08/2015	10/02/2017	£1,000,000.00	1.5300
Fixed Term Deposit	598	Nationwide B/S	16/02/2016	14/02/2017	£1,000,000.00	0.9500
Fixed Term Deposit	591	Close Brothers	17/09/2015	17/03/2017	£1,000,000.00	1.5300
Fixed Term Deposit	579	Svenska Handelsbanken	05/06/2015	05/06/2017	£2,000,000.00	1.1500
Fixed Term Deposit	553	Lloyds	06/06/2014	06/06/2017	£2,000,000.00	1.5500
Fixed Term Deposit	589	Royal Bank of Scotland	21/08/2015	21/08/2017	£1,000,000.00	1.1000
Fixed Term Deposit	572	Royal Bank of Scotland	29/05/2015	31/05/2018	£2,000,000.00	1.0000
Fixed Term Deposit	599	Royal Bank of Scotland	31/03/2016	18/02/2019	£2,000,000.00	1.2000^
Property Fund	140000	CCLA property fund	29/01/2015	None	£2,000,000.00	4.8000
Money Market Fund	110000	Federated			£2,080,000.00	0.5347
Call account	88888	HSBC			£33,252.62	0.0500
					£66,113,262.62	

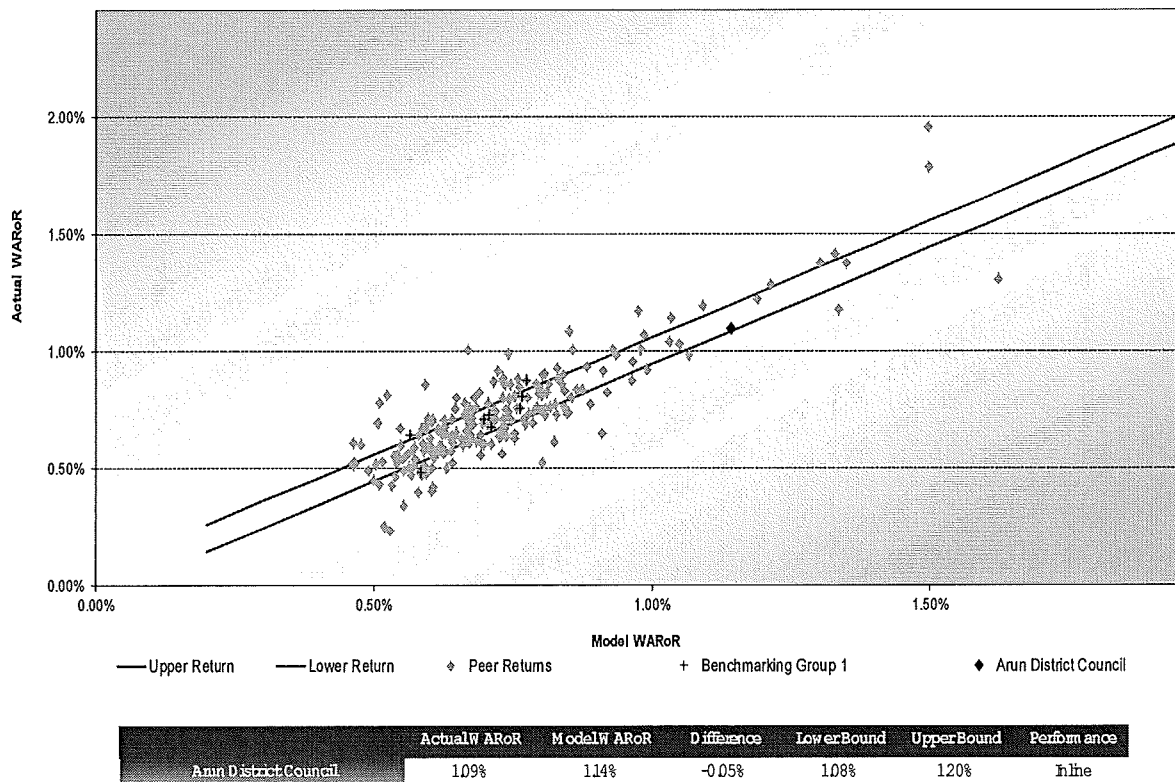
*1.05% yr 1, 1.35% yr 2 and 1.65% yr 3

**Floor 1.50% Cap 2.5% Libor flat

***Floor 1.26% Cap 2% Libor Flat

^Year 1-1.20%, Year 2-1.35%, Year 3 1.50%

Appendix 4



The chart for reviewing performance to the end of March 2016 shows a cash portfolio weighted average rate of return of 1.09%. For the degree of duration and credit risk inherent to the portfolio this return falls within the anticipated range of 1.08% to 1.2%.

Actual return is considerably higher than the average or the mode return within the LA peer group, and reflects a willingness to invest for longer durations.

The positioning within the “normal band” would have been more central but for the fact that EU referendum issues have led to the Credit Default Swap spreads on most of the UK banks moving down a notch, which should be a temporary factor. Credit Default Swap spreads have risen because traders believe there will be more credit risk inherent to UK institutions if a Leave vote is successful, and the ensuing volatility may give rise to some financial ripples. When betting markets feel more confident about a remain vote, the CDs on the aforementioned institutions falls.

ARUN DISTRICT COUNCIL

AUDIT & GOVERNANCE COMMITTEE

30 JUNE 2016

Decision Paper

Subject : Chairman's Annual Report To Full Council 2015/16

Report by : Chief Internal Auditor

Report date : 9 June 2016

EXECUTIVE SUMMARY

To present the draft Chairman's Annual Report To Full Council for agreement by the Committee

RECOMMENDATION

The Committee is asked to endorse the content of this report so that it can then be recommended onto Full Council for presentation and approval.

1 BACKGROUND

The Chartered Institute of Public Finance & Accountancy (CIPFA) recommends that an annual self-assessment is performed covering the 'Effectiveness of the Audit Committee'. The updated self-assessment has been presented to the Committee as part of an earlier item at this meeting.

One of the assessment criteria included is:-

"Does the Audit Committee make a formal annual report on its work and performance during the year to Full Council."

The first such report was prepared and presented to Full Council in 2012.

In collaboration with the Chairman and Vice-Chairman of the Audit & Governance Committee, the attached annual report has been drafted for consideration and covers the activities of the Audit & Governance Committee through the 2015/16 Municipal Year.

2. CONCLUSION

Your consideration of this report, together with comments would be welcome.

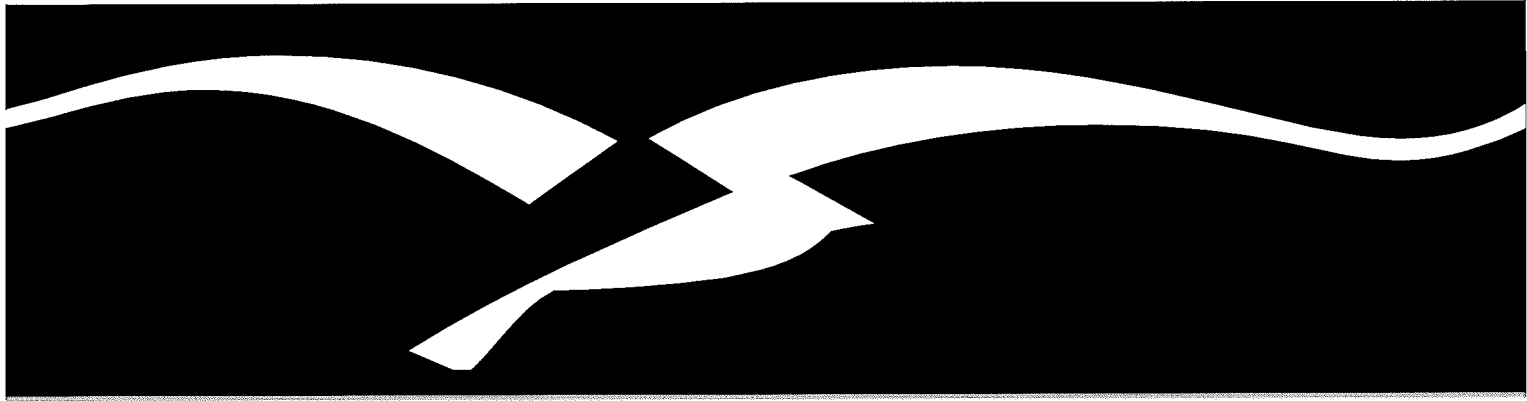
Background Papers:

None

Contact:

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Audit & Governance Committee

Chairman's Annual Report To Full Council
2015/16

Introduction

Both Central Government and the Chartered Institute of Public Finance & Accountancy (CIPFA) promote the view that certain governance related functions would be best delivered by an audit committee – which is separate from the ‘executive’ and ‘scrutiny’ functions of a local authority.

This is the annual report to Full Council of the Audit & Governance Committee. The Council’s Audit Committee was constituted by the Council in May 2006 and became the Audit & Governance Committee in June 2011, following the disbanding of the old standalone ‘Governance’ Committee in March 2011. The Committee complies with the best practice guidance, as set out in the ‘CIPFA Role of Audit Committees in Local Government’, and operates to Terms of Reference agreed by Full Council and included in the Council’s published Constitution. (In 2015, the Terms of Reference were subject to minor update to remove a small amount of overlap with the Overview Select Committee, identified at a meeting between the two Committee Chairmen).

The Audit & Governance Committee provides independent assurance and challenge on the effectiveness of the Council’s overall corporate governance and internal control environments. This includes the associated approach to risk management and independent scrutiny of the Council’s financial and non-financial performance, to the extent that it affects the authority’s exposure to risk and weaknesses in the control environment, as well as to oversee the financial reporting process and approve the Annual Statement of Accounts.

The role of the Audit & Governance Committee is distinctly different from the role of the scrutiny function. Its role, in short, is to provide assurance to Members and to the public that there are controls in place to mitigate key risks and that the Authority, including the scrutiny function, is operating effectively in terms of overall governance.

The Committee carries out its function by monitoring, challenging and providing assurance on a number of matters relating to internal and external audit, financial reporting, risk management, corporate governance and compliance issues. It is important that the Committee is able to demonstrate the impact of its work to Members and to the public.

Membership of the Committee is decided annually by Full Council and follows the requirements for political balance. However, it is emphasised that the role of the Committee should be both objective and apolitical. While continuity of membership is important, as much of the work of the Committee operates to an annual cycle, it is also beneficial for there to be some change in order to generate different challenges and opinions. Where membership changes have taken place in each Municipal Year, Member training and updates have been provided by Internal Audit and the Head of Finance & Property.

In 2010, the role of the Committee was expanded to include oversight of the Council’s Treasury Management processes and, since June 2011, the Committee has responsibility to receive, consider and make recommendations to Full Council on the submissions of the Independent Members’ Remuneration Panel.

The Committee strives to be proactive in seeking assurance on a range of issues, rather than just accepting assurance where it is given. Committee Members have demonstrated commitment to the process and attendance at meetings is good, contributing to a level of continuity of approach and building up expertise of Members, in often complex areas. The Committee takes the position of encouraging all Members and Officers (particularly Managers) to take responsibility for contributing to effective corporate governance, with the aim of embedding governance as a concept in the organisation.

Representatives of the Council's external auditors (Ernst & Young LLP) are also invited to attend and to present their key documents. This provides the opportunity to present matters to the Committee, aiding consistency of message and wider awareness of respective views and challenge.

The Committee has quarterly scheduled meetings through the year (but these may be supplemented by 'special' meetings of the Committee and meetings held by 'task and finish' working groups, set up for specific purposes).

The Committee agrees an annual work plan at its first meeting of the municipal year (25 June 2015) and meetings are timed to consider and act on specific issues within that plan. The standing invitation to the appointed external auditor to attend meetings of the Committee, allows observation of the level of challenge and assurance that the Committee provides on governance, financial reporting and audit issues.

The Committee's work plan for the 2015/16 year has again been wide-ranging, as shown in this Annual Report (see Appendix 1). All matters brought before the Committee have been subject to robust challenge, but the Committee has also had an input into the progress of issues by making practical suggestions for improvement.

The Committee has adopted a practice of accepting assurance only when fully satisfied. Detailed below is a breakdown of areas that the Committee has considered during the 2015/16 municipal year (together with a summary of its activity in Appendix 2).

Internal Processes

Governance

The Committee received regular updates throughout the year on the overall approach adopted to secure effective arrangements for the Council and, in particular, progress on areas identified for action from external inspections. This has provided the Committee with the opportunity to challenge, and have an input into:-

- review of the Council's updated local Code of Corporate Governance;
- the corporate governance framework;
- the assurance framework;
- updates to governance-related Council policies.

The Committee considered and provided challenge to the Annual Governance Statement, prior to its approval in June (draft) and in September 2015 (final version), where an update in respect of the progress of the Local Plan was included, and also to the Council's revised Code of Corporate Governance.

The Council's Children, Young People and Adults at Risk – Safeguarding Policy was updated in 2015, to include considerations arising out of the Care Act 2014. This was presented to the Committee in September 2015, where both a change in format and a number of clarifications were requested by the Committee. The revised version was presented in December 2015 and recommended for adoption by Full Council.

At its meeting in February 2016, the Committee gave detailed consideration to the findings of the Partnerships audit (issued in 2015) and discussed the actions to be taken in respect of report with the Head of Policy & Partnerships (the officer delegated by the Corporate Management Team to progress the issues raised). It was advised that this will be progressed in conjunction with the Vision 2020 work, which is considering a number of alternative service delivery mechanisms.

Counter Fraud and Corruption

The Audit & Governance Committee, as part of its terms of reference, is required to consider the Counter Fraud and Corruption arrangements of the Council and their effectiveness.

At its meeting of 25 June 2015, the Committee was presented with the annual formal Counter-Fraud progress report, covering the year 2014/15. This included details of work performed on Council Tax Single Person Discount entitlement, housing tenancy fraud and the Cabinet Office (ex-Audit Commission) National Fraud Initiative.

Risk Management

The Council's updated Risk Management Policy Statement & Strategy document and Strategic Risk Register were presented to the Committee in December 2015. A Member seminar on risk facilitated by a risk consultant from Zurich Municipal (the Council's insurers) was also held in March 2016.

Consideration of the relevant documents and issues confirms a top-level commitment to the risk management agenda and allows the Audit & Governance Committee to make assessments and provide assurance on the Council's risk management arrangements.

Financial Reporting

The Council's Head of Finance & Property and other members of the Finance department attended meetings and presented reports relating to the Statement of Accounts and the Treasury Management function throughout the year. The Committee was able to challenge these reports and was assured that due process was being followed and best practice had been applied. Officers were able to provide further clarification on a number of issues raised by Members to aid the Committee in reaching its conclusions and decisions

In particular, the Council has delegated to this Committee the task of formally approving the Accounts by the statutory deadline of 30 September each year.

The 2014/15 Annual Accounts were approved by the Committee, having received an unqualified opinion from Ernst & Young LLP, and signed by the Chairman. It was noted that General Fund asset work is currently performed for the Council under an arrangement with Chichester District Council, although the future performance of this work is under consideration by the Council. (HRA valuations are still undertaken separately by an external valuer.

In 2009/10, the Committee was required to consider significant changes to the Treasury Management arrangements of the Council. These primarily focused on the change in accountability and reporting on decisions of overall Treasury Management policy and the setting of the annual Treasury Management Strategies, which have been taken out of the control of the executive (i.e. the Cabinet) and must now be determined by Full Council. All prudential matters relating to borrowing, investments and debt repayment are now determined by Full Council, with the responsibility for scrutiny of performance in this area being delegated explicitly to the Audit & Governance Committee.

In 2012, the Council arranged the borrowing of £70.9M to be paid as a one-off debt settlement to the DCLG in March 2012, in respect of Government changes to make the Housing Revenue Account self-financing in Local Authorities. The first tranche of this loan was repaid by the Council in March 2015 (£8.8M).

The Committee continues to monitor the situation with regard to the borrowing. A briefing on the current and predicted national financial situation was presented to the Committee by Capita Asset Services (the Council's treasury management advisors) at its December 2015 meeting.

Independent Assurances/Audit

External Audit and Inspection

Until its abolition in March 2015, the Audit Commission acted as the commissioning agency to appoint the external auditor to the Council and the external audit work covers the full range of audit and inspection, including providing an opinion on the financial statements and forming an assessment of the corporate arrangements for 'value for money' covering:-

- securing financial resilience
- securing economy efficiency and effectiveness

(From 2015, the former roles of the Audit Commission have been divided amongst a number of other bodies).

Ernst & Young LLP are the Council's current appointed external auditors. Reports to the Committee ('those charged with governance') arising from external review include the Audit Plan, Audit Results Report and Annual Audit Letter. These are subject to discussion and challenge by the Committee with the representatives of the external auditors in attendance at Committee meetings.

Internal Audit

Under the Accounts and Audit Regulations 2015, the Council is required to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Assessment is undertaken against criteria published by CIPFA and presented to the Committee for consideration. The Committee was able to support the judgement on the effectiveness of the system of Internal Audit and also confirmed that Internal Audit has continued to provide a quality service to the Council, with the assessment being certified by the Chair of the Committee and the Council’s Head of Finance & Property.

From 1 April 2013, CIPFA replaced its Code of Practice for Internal Audit with the Public Sector Internal Audit Standards (which are based on the mandatory elements of the Institute of Internal Auditors, International Professional Practices Framework). This has been reflected in the Internal Audit Charter, with the changes approved by the Committee in past years.

Internal Audit also performs an assessment of the effectiveness of the Audit & Governance Committee and any changes / improvements that could be made, based upon CIPFA criteria. This report was presented for consideration and certified by the Chair of the Committee.

Throughout the year, Internal Audit provides a number of key documents for the Committee to consider and Approve or Note. These include:-

- the Annual Internal Audit Plan (February)
- the Internal Audit Annual Report & Opinion (June)
- periodic reports of progress against the Audit Plan
- periodic reports summarising findings from Internal Audit reports issued.

As reflected in the Internal Audit Charter and Annual Plan, the Internal Audit service needs to be flexible, with the ability to respond to changes and new challenges to the Council, as and when required.

The Committee received the annual performance reports for Internal Audit for the year and were provided with assurance that appropriate action plans had been put in place to improve the Council’s control environment and confirmed that this assurance was reflected within the Council’s published Annual Governance Statement.

Members’ Allowances

In March 2011, the Council’s Governance Committee was disbanded and the responsibility to receive, consider and make recommendations to Full Council on the submissions of the Independent Members’ Remuneration Panel passed to the Audit & Governance Committee from June 2011.

The Committee received updates from the Head of Democratic Services on the membership and from the Panel on the work programme for its next review. The next review by the Panel was expected to take place after the 2015 elections once the new Council membership was in place, but has now been delayed until later in 2016 once the outcome of the Council's Vision work is known

Chairman's Summary

Following the May 2016 Annual Council meeting, I am pleased to have been appointed as Chairman for the 2016/17 Municipal Year and will ensure that the Committee continues to perform its duties as delegated by the Council and mandated through governance requirements and best practice. This report has been prepared in conjunction with the outgoing Chairman, Councillor Mrs Barbara Oakley, and I would like to thank her for her many years fulfilling that role. I am pleased that she is to remain a member of the Committee and will also act as Vice-Chairman, so that her experience and knowledge will continue to be put to good use.

Based upon the work of the Audit & Governance Committee during 2015/16, I am satisfied that it has again provided effective challenge across a range of governance related issues upon which it can provide assurance to the Council and to the Cabinet. The Committee has demonstrated leadership on governance, financial reporting and audit issues. The Committee also is effective in providing an additional source of assurance to the Head of Finance & Property (s151 Officer of the Council) that systems of internal control are working effectively and that Internal Audit is operating in accordance with the Public Sector Internal Audit Standards.

I have reviewed the CIPFA requirements relating to Internal Audit and the work of the Committee and consider that the arrangements in place remain appropriate. The level of challenge provided by the Committee contributes to Members and Officers giving due significance to governance and control matters. An additional role of the Committee continues to be to provide suggestions for continual improvement on a number of matters and to be supportive of Council staff, showing appreciation where merited.

Finally, I offer my thanks and appreciation to all members of the Committee for their proactive contributions which have continued to facilitate constructive, apolitical challenge. This input has enabled the Committee again this year to be effective and confident in providing assurances to the Council. Also, on behalf of the Committee, I would like to thank all Members and officers who participated in our reviews and helped us to carry out our role, the Committee Manager for the preparation, advice and minuting of meetings and the representatives of Ernst & Young LLP for their constructive engagement, contributions and responses.

.....
Councillor Mike Clayden,
Chairman of the Audit & Governance Committee

APPENDIX 1

AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME 2015/16

Subject	Frequency	Last Reviewed	June	September	December	February
GOVERNANCE FRAMEWORK						
Council's Code of Corporate Governance	Annual	Jun 2015	✓			
Governance & Risk Group update	As required	Dec 2015			✓	
Risk Management Policy Statement and Strategy	Annual	Dec 2015			✓	
Strategic Risk Register <i>(a facilitated risk seminar / workshop will be provided to further review this in q1 2016)</i>	Annual	Dec 2015			✓	
Corporate Policy and Procedures Document on the Regulation of Investigatory Powers Act 2000 (RIPA), as amended by RIPA 2010	Annual	Feb 2013				
Council's Use of the Regulation of Investigatory Powers Act (RIPA) 2010 <i>(no use in 2014/15)</i>	As required	Jun 2015	✓			
Whistleblowing Policy	3 yearly	Sep 2013				
Anti-Fraud, Corruption & Bribery Strategy and Policy	3 yearly	Sep 2013				
Counter Fraud Progress	Annual	Jun 2015	✓			
Review of Financial Regulations / Contract Standing Orders <i>(Requirements for changes to Constitution – progressed by the Constitution Review Task & Finish Group in 2013)</i>	As required					
Information/Advisory Documents Received	Quarterly	Dec 2015	✓	✓	✓	
INTERNAL AUDIT ACTIVITY						
Internal Audit Charter (strategy)	3 yearly	Jun 2014				
Annual Internal Audit Plan	Annual	Feb 2016				✓
Quarterly Report of Audits Undertaken (summary of findings)	Quarterly	Feb 2016		✓	✓	✓
Quarterly Report of Progress Against Annual Plan	Quarterly	Feb 2016	✓	✓	✓	✓
Annual Report From Chief Internal Auditor (including statement of Internal Audit's overall opinion on the control environment, performance, etc.)	Annual	Jun 2015	✓			

Subject	Frequency	Last Reviewed	June	September	December	February
EXTERNAL AUDIT AND INSPECTION						
Fee Letter	Annual	Jun 2015	✓			
Audit Plan	Annual	Jun 2015	✓			
Audit Results Report – ISA 260	Annual	Sep 2015		✓		
Annual Audit Letter	Annual	Dec 2015			✓	
Annual Certification Report	Annual	Feb 2016				✓
Compliance With International Auditing Standards (statement from 'those charged with governance')	Annual	Jun 2015	✓			
STATEMENT OF ACCOUNTS						
Accounting Policies	Annual	Jun 2015	✓			
Draft Statement of Accounts (pre-audit)	Annual	Jun 2015	✓			
Final Statement of Accounts	Annual	Sep 2015		✓		
Annual Governance Statement	Annual	Sep 2015	✓	✓		
TREASURY MANAGEMENT						
Treasury Management Strategy Statement and Annual Investment Strategy	Annual	Feb 2016				✓
Treasury Management Interim Report	Annual	Dec 2015		✓		
Treasury Management Annual Report	Annual	Jun 2015	✓			
MEMBERS' ALLOWANCES (considered by the previous Governance Committee until March 2011)						
Members' Allowances Scheme – Independent Remuneration Panel update	Periodic	Feb 2016		✓		✓
Members' Allowances Scheme – Final Report From the Independent Panel (Report to be provided in 2016)	Periodic	Sep 2013				
Appointments to/Update on Membership of the Independent Panel	Periodic	Nov 2012				
COMMITTEE WORKING ARRANGEMENTS						
Audit & Governance Committee Workplan	Annual	Jun 2015	✓			
Chairman's Annual Report to Council	Annual	Jun 2015	✓			
Training Programme	2-yearly	Jun 2015	✓			

Subject	Frequency	Last Reviewed	June	September	December	February
Audit & Governance Committee Terms of Reference (including Constitution changes)	Annual	Sep 2015		✓		
WHEN NEEDED						
<i>Audit & Governance Committee Working Group reports/feedback</i>						
<i>External Audit and Inspection - additional specific reports</i>						
<i>Governance – additional updates on relevant issues, etc. (e.g. from Government departments, papers from other Council meetings, risk management topics)</i>						
Draft Equality & Diversity Policy		Jun 2014		✓	✓	
Draft Children, Young People and Adults At Risk - Safeguarding Policy		Dec 2015				
<i>Issues referred from Chief Executive Officer, Directors and other Council bodies</i>						
<i>Issues to be referred for consideration by the Overview Select Committee</i>						
Review of the Revenues & Benefits Recovery Policy		Jun 2014				
<i>Temporary recurring agenda items e.g.:-</i>		Sep 2014				
- Update on the Transfer of the Estates Function to Chichester District Council		Dec 2013				
- Update on the HRA Business Plan		Feb 2016				✓
- Review of Partnerships Audit Reports						

Audit & Governance Committee – Activities Performed in Year 2015/16

Meeting Date:	Item:	Action:	Notes:
Governance Framework			
25 June 2015	Revised local Code of Corporate Governance for 2015/16	Changes endorsed	Published on Council website
25 June 2015 24 September 2015	Annual Governance Statement 2014/15	Approved Amendment approved	Published on Council website to accompany the Annual Accounts
25 June 2015	Counter-Fraud Report 2014/15	Endorsed	
25 June 2015	Council's Use of the Regulation Of Investigatory Powers Act 2000 (RIPA)	Endorsed	Nil for 2014/15 Municipal Year
10 December 2015	Governance & Risk Group – Review and Update	Noted	
10 December 2015	Updates to the Risk Management Strategy and Strategic Risk Register	Approved	
Internal Audit Activity			
25 June 2015	Internal Audit Annual Report & Opinion 2014/15	Endorsed Recommendation that Cabinet Member for Corporate Governance provides Chairman with update on CMT activities	
25 June 2015 24 September 2015 10 December 2015	Progress Against the Internal Audit Plan	Noted	

25 February 2016				
24 September 2015	Summary of Findings From Reports Issued	Noted	Questions raised with the Chief Internal Auditor at the meeting	
10 December 2015				
25 February 2016				
25 February 2016	Annual Internal Audit Plan 2016/17	Approved	Chief Internal Auditor advised that the Plan may be affected by Vision 2020 work	
External Audit and Inspection				
25 June 2015	Ernst & Young - Audit Plan	Approved		
25 June 2015	Compliance with International Auditing Standards – correspondence with Ernst & Young LLP	Noted		
25 June 2015	Audit Fee Letter 2015/16	Noted		
24 September 2015	Report to 'Those Charged With Governance' (Audit Results Report – ISA260)	Approved and Draft Letter of Representation signed		
10 December 2015	Annual Audit Letter and Progress Report	Noted		
25 February 2016	Certification Of Claims & Returns – Annual Report 2014/15	Noted		
25 February 2016	Ernst & Young – Progress Report 2015/16	Noted		
Statement of Accounts				
25 June 2015	Approval of Accounting Policies	Resolved – to be applied to Statement of Accounts for 2014/15	Requirement of the external auditors in support of the Statement of Accounts	
24 September 2015	Statement of Accounts 2014/15	Approved and signed	Presented by the Financial Services Manager	
Treasury Management				

25 June 2015	Treasury Management Annual Report 2014/15	Recommend to Full Council that the report be Noted, that the actual prudential and treasury indicators be approved	
24 September 2015	Treasury Management – Quarter 1 Report 2015/16	Noted and Recommended to Full Council that indicators be approved	
10 December 2015	Treasury Management – Quarter 2 Report 2015/16	Recommend approval to Full Council	
25 February 2016	Treasury Management Strategy Statement and Annual Investment Strategy 2016/17		
Members' Allowances			
24 September 2015	Independent Remuneration Panel – Next Review of the Members' Allowances Scheme	Noted – proposed terms of reference, general principles and timetable	
25 February 2016	Members' Allowances	Resolved that:- - review be postponed until Vision 2020 outcome known - extension of the term of office for 3 Panel members agreed	
Committee Working Arrangements			
25 June 2015	Audit & Governance Committee Annual Workplan	Approved	'Living' document – progress to be noted through the year (see Appendix 1)

25 June 2015	Chairman's Annual Report to Council 2014/15	Recommended for approval by Full Council	
24 September 2015	Constitutional Amendments – Terms Of Reference and Working Parties Procedures	Amendments recommended to Full Council	
Other			
24 September 2015	Children, Young People and Adults At Risk – Safeguarding Policy	Amendment requested – decision deferred to next meeting	Presented by Leisure & Voluntary Sector Manager and Officer
10 December 2015		Recommended for adoption by Full Council	
25 February	Audit of Partnerships	Recommended that Corporate Management Team adopt a revised definition of partnerships	Presented by Chief Internal Auditor and Head of Policy & Partnerships

LOCAL PLAN SUBCOMMITTEE

30 June 2016 at 6.00 p.m.

Present : Councillors Cooper (Chairman), Bower (Vice-Chairman), Ambler, Mrs Bence, Bicknell, Chapman, Charles, Elkins, Mrs Hall, Oppler and Mrs Stainton.

Councillor Miss Rhodes was also in attendance at the meeting.

1. Apologies for Absence

Apologies for absence had been received from Councillors Mrs Brown and Mrs Maconachie.

2. Declarations of Interest

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests so, by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Councillor Elkins declared a personal interest as Arun's appointed member of the Littlehampton Harbour Board in the event of any discussion taking relating to the Harbour Board.

Councillor Bicknell declared a personal interest as an employee of Southern Water should any discussion take place with regard to strategic services water management.

3. Minutes

The Minutes of the meeting held on 1 March 2016 were approved by the Subcommittee and signed by the Chairman as a correct record.

4. Start Times

The Subcommittee

RESOLVED

That the start times of meetings for the remainder of 2016/17 be 6.00 p.m.

5. Arun Local Plan – Evidence Base Update

In presenting this report, the Head of Planning Policy & Strategic Development reminded Members that work was being carried out to support the modifications to the Local Plan. The first set of completed studies had now been received and the summaries and implications of those were set out in the report for consideration.

The Head of Planning Policy & Strategic Development stressed that what was being considered were modifications to an already submitted Local Plan and not a new Plan; whilst the evidence base was required to support the whole of the Plan, what would ultimately be presented to Members would be modifications to the Plan only. It was also important to be aware that the studies were providing evidence that would support future decisions on planning policies – they were not planning policy documents.

The report summarised the detail of the studies that had been completed so far and provided an update on progress associated with the evidence base work required which would in due course inform the main modifications required to the Plan and which would be presented to the meeting in September when they were completed.

The Head of Planning Policy & Strategic Development the Members through the main points of the studies, summarised as follows:-

Littlehampton Economic Growth Area (LEGA) Delivery Study

This had been prepared in response to a number of comments made by the Inspector at the first set of examination sessions whereby he had been unable to find the proposed allocation sound on the basis of an outstanding objection from the Environment Agency (EA) and uncertainty about what the proposals were and where development would go. Its aim was to address the issues raised by the Inspector and provide robust evidence that could enable the LEGA policy to be found sound at the resumed Local Plan Examination.

The report had been prepared in close consultation with the EA and had resulted in the site being removed from flood zone 3b. The study set out a clear vision for the area and provided guidance for its future development, with the vision for the West Bank being for a comprehensive, mixed use regeneration scheme which would provide the area and Littlehampton Harbour with a sustainable long term future. Members were directed to the key implications set at paragraph 2.7 and which included a revised site boundary which would extend the site westwards.

Employment Land Needs Study

This update reviewed the higher housing delivery scenarios as well as future employment space requirements based on different scenarios. It considered the likely net change in jobs as a result of the housing numbers and employment space requirements. The main points of the study highlighted that

- There was going to be an oversupply of employment land
- There is an undersupply of office space currently; and
- We will need to work with neighbours around where may be the most appropriate locations for accommodating their needs

The Subcommittee heard that officers were discussing additional work with the consultants around a full employment strategy for the plan and this would be presented at a later date.

Habitats Regulation Assessment

The Subcommittee was advised that this was a high level assessment of ecological implications associated with possible development scenarios in terms of number and locations. For the purposes of a Local Plan, the document was necessarily high level and considered designated sites – species specific and local ecological designations would need to be considered at a detailed planning application stage.

The conclusions of the report were that there was potential for significant adverse impacts from development at Pagham South and that there were in-combination impacts with sites at Pagham and Bersted as currently proposed. It stated that any development at Pagham South should be outside of the 400m boundary of the protected Special Protection Area (SPA) site to reduce impacts and that mitigation from development at Bersted would be required as a result of potential for disturbance at the SPA.

The Head of Planning Policy & Strategic Development highlighted that the remainder of the report on the table provided a brief update on on-going evidence base work that would be reported to future meetings when completed.

Following consideration and responses to some questions raised, the Subcommittee

RESOLVED

That the update provided on the progress of evidence base studies commissioned to support the preparation of main modifications to the Arun Local Plan (2011-2031) Publication Version (October 2014) be noted.

6. Gypsy and Traveller and Travelling Showpeople Sites Assessment Methodology

The Senior Planning Officer reminded the Subcommittee that the Gypsy and Traveller and Travelling Showpeople sites assessment methodology had been approved at its meeting on 1 March 2016. She now presented this report which sought approval to amend the methodology at table 1 and to correct any typographical errors. The amendments were advised as:-

- Paragraph 2.2 updated to remove incorrect references
- Table 1 key altered to show very positive and very negative
- Criterion numbers in Table 1 updated
- Criteria Description from Local Plan 2011-2031 Publication Version October 2014 Policy H SP5 added below Table 1.

The Subcommittee

RESOLVED

That the update of the methodology for use by officers in the assessment of potential sites for Gypsy and Traveller and Travelling Showpeople be approved.

7. Response to Consultation on Draft West Sussex joint Minerals Local Plan (Regulation 18)

In presenting this report, the Senior Planning Officer highlighted that the key concern the Council had set out in its response related to Policy M10 which potentially impacted on the Littlehampton Railway Wharf.

Support was expressed for the response and the Subcommittee then

RESOLVED

That the main points of the consultation document and the officer response to the consultation, as sent and set out in the report, be noted.

8. Felpham Conservation Area Character Appraisal

The Principal Conservation Officer advised the Subcommittee that the Felpham Conservation Area Character Appraisal had been prepared and published for a 6 week period of public consultation. That consultation had taken place and the responses assessed and incorporated into the document, where relevant. Members were requested to consider the Appraisal and recommend to Full Council that it be adopted.

In participating in a brief discussion, comment was made with regard to the ruination of flint walls in the District. Views were expressed that flint walls were part of the character of the area as a whole and the Principal Conservation Officer undertook to study the Heritage Policy within the emerging Local Plan to see if steps could be taken to protect them.

The Subcommittee

RECOMMEND TO FULL COUNCIL

That the Felpham Conservation Area Character Appraisal be adopted for use in the planning process.

9. Brighton and Hove's City Plan (Part One)

The Subcommittee was advised by the Senior Planning Officer that the key concern for Arun District Council was the failure of Brighton and Hove's City Plan (Part One) to meet the objectively assessed need (OAN) for new housing, which could potentially have implications at the Arun Local Plan Examination under Duty to Cooperate as it sought to meet only 44% of the OAN for new housing.

Members requested to know what the implications for Arun would be and they were informed that (1) it was important to note that the OAN was not necessarily the planning requirement figure; and (2) none of the authorities in the housing market area (HMA) were currently able to meet their OAN. It was felt that Arun would not be able to take up the slack but part of the overall discussion that needed to be had going forward had to involve the whole of the HMA. It was going to be difficult for Arun because of the constraints in the district, as for all the other neighbouring authorities.

Arun was not a direct neighbouring authority but was one of the authorities working on the Local Strategic Statement for the Coastal West Sussex and Greater Brighton area and, as such, was committed to further engagement and sub-regional work in line with the Duty to Cooperate.

Following further general comments regarding the difficulties to be faced, the Subcommittee

RESOLVED

That it be noted that the Brighton and Hove City Plan (Part 1) was adopted on 24 March 2016.

10. Response to Consultation on Worthing Borough Council's Issues and Options Document

The Head of Planning Policy & Strategic Development presented this report which detailed the main points being consulted on and the officer response to that consultation from Worthing Borough Council on its Issues and Options document.

It was felt that the main issues for Members to consider were housing (paragraph 2.14), as a number of potential sites were listed in the consultation, with two of those adjoining the boundary with Arun, namely Site 4 Goring/Ferring Gap and Site 5 Chatsmore Farm, as detailed at paragraphs 3.14 and 3.15. Worthing was looking at all options in respect of housing delivery and Arun's consultation response was suggesting that alternative densities should be tested and that a pragmatic approach be taken to proposals in urban areas.

Following consideration, the Subcommittee

RESOLVED

That the main points of the consultation document, evidence documents and the officer response, as sent and set out in the report, be noted.

(The meeting concluded at 6.40 pm)

ARUN DISTRICT COUNCIL

LOCAL PLAN SUB-COMMITTEE – 30 JUNE 2016

Subject : Felpham Conservation Area Character Appraisal
Report by : Martyn White
Report date : June 2016

EXECUTIVE SUMMARY

A conservation area is defined as 'an area of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance'. While subject to normal planning controls a range of additional powers and considerations also apply.

In order to be able to fully protect and enhance its conservation areas, the Council is preparing a character appraisal for each. These appraisals define what is special, and therefore worthy of protection, as well as what detracts and could be enhanced.

The Felpham Conservation Area Character Appraisal has been prepared and published for a 6 week period of public consultation. A revised appraisal is attached and permission is sought to adopt the document for development control purposes (Appendix 1).

RECOMMENDATIONS

The following actions are recommended:

1. That the Local Plan Sub-Committee resolves to recommend that Full Council agrees that the Felpham Conservation Area Character Appraisal is adopted by the Council for use in the planning process.

1.0 BACKGROUND

Conservation Area Character Appraisals

1.1 In order to fully protect a conservation area, the local planning authority should demonstrate an in-depth understanding of what makes its conservation areas special. This derives from an assessment of those elements that contribute or detract from it. This assessment is known as a conservation area character appraisal.

1.2 Conservation area character appraisals:

- Define what it is about the character or appearance of the area which should be preserved or enhanced
- Make a clear assessment of any negative features, and identify areas for enhancement
- Include a review of the boundary
- Assess the need for any additional planning controls to restrict permitted development
- Improve understanding of the area

1.3 Conservation area character appraisals sit independently of the Arun Local Plan. However, as such documents identify the distinctive character of the most important parts of the district, they link with an objective of the emerging Arun Local Plan which is to "Protect and enhance Arun's outstanding landscape, coastline, historic, built and archaeological environment thereby reinforcing local character and identity".

Wider benefits of appraisals

1.4 Whilst Conservation Area Character Appraisals help to define the character of an individual conservation area, the process for preparing one can be extended to the wider urban areas within the district. Such an appraisal would provide a comprehensive and objective 'evidence based' document. This can provide a starting point for how future developments might positively contribute to meeting the housing objectives of the district whilst respecting the character and identity of the district's distinctive places.

Conservation Area Supplementary Planning Guidance Note

1.5 A description identifying some of the key characteristics of each conservation area is contained within the Conservation Areas Supplementary Planning Guidance Note which was adopted in October 2000. These descriptions will be superseded by an appraisal when approved by the Council.

Felpham Conservation Area Character Appraisal

1.6 The Felpham Conservation Area Character Appraisal (Appendix 1) is the first to be prepared within the Arun LPA area, and has been prepared as part of a rolling programme of work.

Public Consultation

1.7 As part of the preparation of the appraisal, the Council undertook a six week period of public consultation. This included:

- Writing to all properties within or deemed to be affected by the appraisal;

- Writing to both the Felpham Village Conservation Society and Parish Council;
- Undertaking a presentation to the Parish Council in which members of the public were present;
- Undertaking a public meeting organised with the Felpham Village Conservation Society, which a substantial number of local people attended.

1.8 The key concern related to the appraisal was the potential to include an additional road within the conservation area under the section related to boundary review. The majority of the responses received were related to this.

1.9 The final version of the appraisal is included in appendix 1 (in a track changed version), and a summary of the responses received are contained in appendix 2. Permission is sought to adopt the document for planning purposes.

Key Change to the Document

1.10 Based on the nature of the comments received, the only significant change to the appraisal is located within the chapter related to the boundary review. Following detailed consideration, the recommendation to include Manor Close has been removed. It is considered that, on balance, the area would not enhance the character or appearance of the Conservation Area. As a result, the road will not be considered for inclusion within the Conservation Area when the boundary is reviewed. All of the other recommendations remain.

Background Documents

- 1.11 National Planning Policy Framework (Paragraphs 126-141)
- 1.12 Planning Policy Guidance
- 1.13 Understanding Place: Conservation Area Designation, Appraisal and Management

Contact: Martyn White. Ext: 37785. Martyn.white@arun.gov.uk

Appendix 2 - Summary of Consultation Responses

The following is a summary of the comments received during the consultation period.

Do you think that the appraisal accurately describes the character and qualities of the Felpham Conservation Area?

- YES – for the existing area
- In terms of qualities, no. there is many examples of abject failure at Conservation Planning

Have all of the positive unlisted buildings been identified as part of the appraisal? If no, what buildings do you think should be considered for inclusion?

- Unaware

Do you feel that any of the following works harm the character and appearance of the conservation area?

Replacement windows, doors or roofs with modern materials	<ul style="list-style-type: none"> • Where answers were provided, both yes and no were stated in equal measure. As a consequence, there is no clear steer.
Loss of architectural details from buildings	<ul style="list-style-type: none"> • Where answers were provided, both yes and no were stated in equal measure. As a consequence, there is no clear steer.
Demolition of boundary walls	<ul style="list-style-type: none"> • Yes, if of historic interest • No
Introduction of satellite dishes etc.	<ul style="list-style-type: none"> • Sometimes if in prominent locations forming part of an attractive vista • No
Other, please specify:	<ul style="list-style-type: none"> • Out of character architectural styles on new/modified properties • Possible, it depends upon the age and character of the buildings • The issues above are trivial compared to issues of shop frontages, garage forecourts, speeding, parking

Do you consider that special planning controls (such as Article 4 directions) are necessary to preserve the character of the Conservation Area?

- Do not know what they involve so cannot comment
- No
- Possibly as some of the potential buildings that may be included in Felpham Road do not have any special architectural or historic interest and are arguably in poor condition. However, I am not sure it is fair to enforce this on the owners when the buildings are so out of character in the first place.

As part of the appraisal process the council has undertaken a review of the existing conservation area boundary. This includes a number of recommendations to revise the boundary. Do you agree with the recommendations?

MANOR CLOSE

- I do not wish manor close to be part of the conservation area
- *Manor Close Residents Group*: The proposals to include Manor Close were considered by the nineteen Manor Close households plus five households in Felpham Road, the result being -

In favour of the recommendation	1
Against	15
Of no firm opinion	1
Unavailable for comment	2

- The area is similar to so many other areas in Felpham. No further constraints are needed as it is protected by normal planning constraints
- Other, older (Victorian/Edwardian) properties towards the sea are arguably more important than Manor Close
- Manor Close is not an amenity which benefits the general public. It is a cul-de-sac and not a busy thoroughfare. The general public only want to use the road as a convenient car turning circle or as a car park. They have complete disregard for the visual impact of the area. The view into the road from Felpham Road is very restricted and does not represent a view which is worthy of preservation. This is confirmed by the absence of a "view arrow" on Map 8, page 27 of the Draft Appraisal. It therefore cannot be argued that there is anything about Manor Close which is worthy of added protection/preservation for the benefit/enjoyment of the general public.
- In the opinion of the residents, there is no great advantage for Manor Close to be added to the Felpham Conservation Area. They alone have

looked after the road very well for many years. The current home owners are unlikely to conduct themselves in a way which would be detrimental to the environment. The risk of any adverse activity is almost non-existent and not worthy of insuring against by the introduction of more layers of control. Those who live in the road chose to do so because they value the atmosphere and character of it. They respect it and would not do anything outrageous to spoil it. There is no perceived threat from within.

- The density of dwellings is such that there is no convenient access between properties to encourage the over-development of back gardens. To purchase an existing property, demolish it and rebuild an "eyesore" would hardly be a financially attractive proposition for a developer. The risk of unsightly development is therefore insignificant. It may be reasonably expected that existing planning control will exercise sufficient restraint over "inappropriate" development.
- There is not enough guidance as to why Manor Close should be included

CHURCH FIELD

- Good idea to include Church Field
- The risk of development in these areas is considered to be high because the economy of scale makes them highly attractive to would-be developers. Any means of exercising additional control is important in these vulnerable locations.
- The green space these areas create between Felpham and Bognor is highly important in breaking the urban sprawl and in providing attractive views towards the village of Felpham.
- Manor Close Residents Group: The proposals to include Church Field were considered by the nineteen Manor Close households plus five households in Felpham Road, the result being -

In favour of the recommendation	18
Against	1
Of no firm opinion	1
Unavailable for comment	3
Unoccupied	1

Do you feel that there is sufficient conservation guidance to guide development proposals (however small or large)? If no, what would you like to see?

- No; when proposals are made for development that detract massively from the look of a conservation area they should be rejected. If a Conservation Area is taken seriously, remedial measures should be imposed by (and paid for by the council)

Do you have any other comments about the draft Conservation area Appraisal?

- Generally well balanced presentation covering the village of Felpham although the proposals / recommendations are not fully agreed with.
- Frankly, I would be happy to be part of a Conservation Area IF development in the whole Conservation Area were controlled. I have no intention of being subject to petty controls on our houses which will cost me money, and see major eyesores untouched by conservation Area planning.
- The existing conservation area does not seem to prevent unsympathetic developments. As residents of Manor Close we consider the extra cost, delays and restrictions of planning control to be grossly unfair, unreasonable and non-beneficial. We are against the inclusion of Manor Close in the conservation Area.
- I can see no benefit for including Manor Close in the Conservation Area
- Several developments within the established Conservation Area have been out of character. The Conservation Area designation has done nothing to ensure suitable control to achieve harmonious developments which are in character with the area. The Manor House Grounds, Eddies shop windows and the shop front to Bridle Opticians are but a few of many glaring examples. It may be inferred from this, that Conservation area bureaucracy and expense achieves nothing substantial in the way of improved environment or sympathetic development.

LITTLEHAMPTON REGENERATION SUBCOMMITTEE

6 July 2016 at 6.00 pm

Present: - Councillors Bicknell (Chairman), Dingemans (Vice-Chairman), Mrs Ayres, Blampied, Cates, Gammon, Mrs Porter, Dr Walsh and Warren.

Councillor Elkins, Northeast and Miss Rhodes were also in attendance.

1. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interest of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

Councillor Dr Walsh declared a personal interest in Agenda Items 5, Littlehampton Town Centre Public Realm Improvements – Design & Project Delivery and 7, Littlehampton Economic Growth Area Development Delivery Study, as a member of Littlehampton Town Council and West Sussex County Council.

Councillors Mrs Ayres, Gammon and Warren also declared a personal interest in Agenda Item 5, Littlehampton Town Centre Public Realm Improvements – Design & Project Delivery, as members of Littlehampton Town Council.

2. MINUTES

The Minutes of the meeting held on 2 December 2015 were approved as a correct record by the Subcommittee and signed by the Chairman.

3. START TIMES

The Subcommittee

RESOLVED

That the start times for meetings for the remainder of 2016/17 be 6.00 p.m.

3. LITTLEHAMPTON TOWN CENTRE – PUBLIC REALM IMPROVEMENTS – DESIGN PROPOSALS AND PROJECT DELIVERY

(Prior to consideration of this matter, Councillors Dr Walsh, Mrs Ayres, Gammon and Warren had declared a personal interest and remained in the meeting and took part in the debate and vote.

During the course of consideration of this matter, Councillor Bicknell declared a personal interest as he worked for a utilities company and reference was made to utilities. He remained in the meeting and took part in the debate and vote.)

The Economic Regeneration Officer introduced this item and advised that, following an extensive public consultation, LDA Design had incorporated the results to set the design objectives and principles and shape the detailed design proposals in their final report, attached as appendix 1 to the officer report, which was before Members for their consideration.

The Chairman welcomed Mr Tim South of LDA Design to the meeting, who was in attendance to provide the Subcommittee with a comprehensive presentation on the detail of the overall scheme.

Following that presentation, the Subcommittee then participated in a question and answer session with Mr South.

Members generally supported the design proposals but did request that the Clock Tower be retained as it reflected the history of the town – the tower casing for the clock replicated the Pepperpot lighthouse that had been sited on the seafront in days gone by. A view was expressed that it should remain where it was. In addition, it was felt that the maritime themed street furniture should be considered for possible retention in part as, again, it reflected the close relationship of the town with its maritime heritage. However It was acknowledged that it could be updated and/or reduced in coverage.

It was suggested that recommendation (1) be amended to take account of the view that the Clock Tower should be retained, and having been proposed and seconded, it was agreed it be amended to read as follows:-

(1) the proposed pedestrian priority public realm design plans for Littlehampton Town Centre (as set out in Appendix 1. Littlehampton Town Centre Public Realm Design Proposals) are approved, **subject to agreement of the future of the Clock Tower**, and delivered in partnership, as phased projects over a period of time, with Littlehampton Town Council, West Sussex County Council and other stakeholders, subject to the necessary funding being available;

Members participated in general discussion on a number of issues around:-

- Traffic flows in and around the town. The Director of Planning & Economic Regeneration advised that, from what was envisaged for the town, it was hoped that people would be encouraged to get out of their cars and walk, go into shops and to provide a positive social and shopping experience. The scheme had to be pedestrian friendly and unique to Littlehampton.
- The need to improve the Arcade. An officer response was given that there was only 5 years left on the lease and it was challenging to get investment from the leaseholders. Some cosmetic work was being undertaken to improve frontages and lighting.
- The street paving – it was felt that the design was very busy and could cause problems for those who were partially sighted or who had poor vision. Assurances were given that, at the design stage, work would be undertaken with all the relevant organisations to ensure there would be no safety issues.
- Coach travel – a response was given that this would be looked at in more detail at the second phase when the Council would be looking at links from the town centre to the Seafront and Riverside.

The Economic Regeneration Officer highlighted the funding opportunities, as set out at Section 4 of the report. Concern was expressed at the proposal to use £40,000 of the Morrison's Section 106 contributions currently allocated for professional fees associated with marketing the St Martins Car Park site and procuring a developer. It was felt that redevelopment of the St Martins Car Park should not be sidelined as it was seen as an essential component for the regeneration of Littlehampton. The Head of Economic Regeneration advised that this source of funding had been identified to top up the supplementary estimate of £75,000 that it was hoped the Council would approve to enable the necessary technical studies to be undertaken to enable a second stage bid to be submitted to the Coastal Communities Fund (should the Council be invited to apply). If that bid was successful it would unlock a substantial pot of funding to enable the Littlehampton Town Centre public realm project to be delivered.

However, comment was made that the £40,000 had been specifically identified for the St Martins Car Park and, as such, was money that was to be held in trust for redevelopment of the site. It was felt that, for that money to be redirected, would be to sound the death knell for the future redevelopment of St Martins and was therefore a serious concern. In response, the Head of Economic Regeneration advised that the Leader of the Council was aware of the situation and recognised that it was an important scheme – she had indicated that a business case should be put forward to support a request for a further supplementary estimate to progress work on St Martins in the future. Having received that validation, the Subcommittee

RECOMMEND TO CABINET

That a supplementary estimate of £75,000 be approved to cover the collective costs of commissioning the various technical studies and professional fees required to progress the proposed Littlehampton Town Centre public realm improvements to RIBA Work Stage 4. This supplementary estimate is only to be used if the Council is invited to submit a Stage 2 Coastal Communities Fund application. (This equates to a Band D Council Tax of £1.30.) and

RECOMMEND TO FULL COUNCIL - That

(1) the proposed pedestrian priority public realm design plans for Littlehampton Town Centre (as set out in Appendix 1. Littlehampton Town Centre Public Realm Design Proposals) are approved, subject to agreement of the future of the Clock Tower, and delivered in partnership, as phased projects over a period of time, with Littlehampton Town Council (LTC), West Sussex County Council (WSCC) and other stakeholders, subject to the necessary funding being available;

(2) WSCC and LTC to be asked to consider contributing towards the costs of the Town Centre public realm projects;

(3) the Director of Planning and Economic Regeneration be authorised to apply for external funding sources including that of the Coastal Communities Fund (CCF). This includes sponsorship for elements of the scheme to help finance parts of the project;

(4) the Director of Planning and Economic Regeneration be authorised to make minor amendments to the design plans as necessary and appropriate to enable efficient and effective delivery of the project;

(5) the use of £15,000 of Morrison's Section 106 contributions allocated for 'Town Team' projects to part fund the public realm technical studies be approved;

(6) the use of £40,000 of the Morrison's Section 106 contributions currently allocated for professional fees

associated with marketing the St Martins Car Park site and procuring a developer be approved

(7) the Director of Planning and Economic Regeneration be authorised to draw down the supplementary estimate of £75,000, if approved;

(8) if the Council is not invited to submit a Stage 2 CCF bid, the sum of £75,000 should be considered as a possible allocation in the Capital Programme to facilitate a detailed bid next year;

(9) a formal agreement is put in place with WSCC Highways as land owners to develop the relevant Highway land and a Section 278 agreement is arranged at a later date by the Council in partnership with WSCC Highways; and

(10) a formal agreement is put in place with Network Rail as land owners to facilitate the improvements of a small section of public realm outside the train station.

4. LITTLEHAMPTON PROMENADE SHELTER PROJECT

In presenting this item, the Economic Regeneration Officer advised that he had not consulted with Littlehampton Town Council, as erroneously stated in the report.

The Subcommittee supported the proposal to market this underused shelter as a business opportunity and

RECOMMEND TO FULL COUNCIL – That

(1) the proposal be supported to market the site of the Littlehampton Promenade Shelter as a commercial development opportunity that will enhance and improve the visitor experience in Littlehampton; and

(2) the delegated powers authority of the Head of Finance & Property be utilised to market the Littlehampton Promenade Shelter site for commercial development.

5. LITTLEHAMPTON ECONOMIC GROWTH AREA DEVELOPMENT DELIVERY STUDY

(Prior to consideration of this matter, Councillor Dr Walsh had declared a personal interest.

In the course of consideration of this matter, Councillors Dr Walsh and Blampied declared a personal interest as members of the Littlehampton Harbour Board and remained in the meeting and took part in the debate and vote.)

The Director of Planning & Economic Regeneration presented this report which provided an update on the Littlehampton Economic Growth Area (LEGA) Delivery Study as part of the evidence base studies which had been commissioned to support the preparation of main modifications to the Arun Local Plan (2011-2031) Publication Version (October 2014). The

Subcommittee was informed that it was important that the Council, as landowner, expressed its view on whether to support in principle the ideas and vision that lay behind the report as part of the Local Plan process. If the landowner was not in support that would indicate that it was not deliverable.

The Director of Planning & Economic Regeneration highlighted that, although the report spoke of residential development, the proposals were not solely for residential on West Bank – the residential element was to help fund flood defence and achieve a viable scheme there. With regard to St Martins Car Park, it was about trying to improve the vitality and viability of the town centre.

In considering the matter, comment was made that recommendation (2) made reference to Littlehampton Marina and did not mention the West Bank. In addition, concerns were raised that there should be a mixed use development at both West Bank and St Martins Car Park as a purely residential development would fly in the face of the Council's vision for both sites. It was therefore proposed and duly seconded that recommendation (2) be amended as follows:

“That the Council as landowner supports the principle of residential development in some form **as part of a mixed use development** on the land in the Council's ownership at West Bank and St Martins Car Park.”

Following a brief discussion, the Subcommittee

RESOLVED

That the content of the Littlehampton Economic Growth area Development Delivery Study be noted; and

RECOMMEND TO FULL COUNCIL

That the Council as landowner supports the principle of residential development in some form as part of a mixed use development on the land in the Council's ownership at West Bank and St Martins Car Park.

6. LITTLEHAMPTON REGENERATION POSITION STATEMENT

In receiving and noting the Position Statement and in light of the previous agenda items relating to St Martins Car Park, a request was made that officers bring a report to the next meeting on this matter relating to the next steps and preparation of a business case to support a request for a supplementary estimate. The Head of Economic Regeneration agreed that this would be done.

(The meeting concluded at 8.10 pm)

ARUN DISTRICT COUNCIL

LITTLEHAMPTON REGENERATION SUBCOMMITTEE ON 6 JULY 2016

PART A : REPORT

SUBJECT: Littlehampton Town Centre - Public Realm Improvements - Design proposals and project delivery

REPORT AUTHOR: Phil Graham **DATE:** 21st June 2016 **EXTN:** 37858

EXECUTIVE SUMMARY:

This report seeks approval of the proposed designs for public realm improvements to Littlehampton Town Centre and the steps to be taken to progress delivery of the new schemes.

It has been identified through Public Consultation that making improvements to the quality of the public realm in Littlehampton Town Centre will be an important step towards boosting economic regeneration in the town. Design proposals to improve the town's public realm have been produced and were presented for public comment during a consultation period between 25th April and 15th May 2016. The results of the consultation, which included 201 completed surveys, have been collated and reviewed to produce a proposed Town Centre design that can be delivered in phases over a period of time, and in partnership with Littlehampton Town Council (LTC) and West Sussex County Council (WSCC), subject to the necessary funding being available.

This report also seeks to recommend that a Supplementary Estimate is made available to progress the necessary technical studies the Council is required to complete to apply for a Coastal Communities Fund (CCF) grant to deliver the scheme.

RECOMMENDATIONS:

That Littlehampton Regeneration Sub-Committee recommend to Full Council that:

1. The proposed pedestrian priority public realm design plans for Littlehampton Town Centre (as set out in Appendix 1. Littlehampton Town Centre Public Realm Design Proposals) are approved and delivered in partnership, as phased projects over a period of time, with LTC, WSCC and other stakeholders, subject to the necessary funding being available.
2. WSCC and LTC to be asked to consider contributing towards the costs of the Town Centre public realm projects.
3. The Director of Planning and Economic Regeneration is authorised to apply for external funding sources including that of the Coastal Communities Fund (CCF). This includes sponsorship for elements of the scheme to help finance parts of the project.
4. The Director of Planning and Economic Regeneration is authorised to make minor amendments to the design plans as necessary and appropriate to enable efficient

and effective delivery of the project.

5. Approves the use of £15,000 of Morrison's Section 106 contributions allocated for 'Town Team' projects to part fund the public realm technical studies.
6. Approves the use of £40,000 of the Morrison's Section 106 contributions currently allocated for professional fees associated with marketing the St Martins Car Park site and procuring a developer.
7. A supplementary estimate of £75,000 is approved to cover the collective costs of commissioning the various technical studies and professional fees required to progress the proposed Littlehampton Town Centre public realm improvements to RIBA Work Stage 4. This supplementary estimate is only to be used if the Council is invited to submit a Stage 2 CCF application.
8. The Director of Planning and Economic Regeneration is authorised to draw down the Supplementary Estimate of £75,000.
9. If the Council is not invited to submit a Stage 2 CCF bid the sum of £75,000 should be considered as a possible allocation in the Capital Programme to facilitate a detailed bid next year.
10. That a formal agreement is put in place with WSCC Highways as land owners to develop the relevant Highway land and a Section 278 agreement is arranged at a later date in partnership by the Council with WSCC Highways.
11. That a formal agreement is put in place with Network Rail as land owners to facilitate the improvements of a small section of public realm outside the train station.

1. BACKGROUND:

- 1.1 The 'Vision' Masterplan of 2004 sets the key principles - *"To build upon on the town's distinctive character, Littlehampton will be a successful, competitive and connected town. The town will provide an attractive, vibrant and safe place to live, work and visit with an excellent range of facilities for all ages and groups."*
- 1.2 The proposed public realm enhancements support the above principles to create a well-connected town.
- 1.3 Following the 'Vision' Masterplan, a 'Waterfront Strategy was commissioned to look at opportunities for the Town in more detail. This piece of work produced in 2009 highlighted 3 distinct but disconnected areas which required interconnecting to improve the pedestrian experience:
 - The Town Centre
 - The Green
 - The Harbour
- 1.4 A 'Signage Plan was implemented in 2014, incorporating the above 3 areas of the town to improve the connection for pedestrian movement in Littlehampton which resulted in the installation of new Monolith directional signage around the town.
- 1.5 The next steps following the Signage Plan was for a Conceptual Development Plan to be produced in 2015, referred to as the '9 Big Ideas for Littlehampton'. The purpose of this plan was to identify ways to improve the routes and connectivity between the Town Centre, Seafront and Riverside. These 'ideas' would improve

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pedestrian movement and the experience for the local community and visitors to the area.

- 1.6 An opportunity to re-evaluate the Town Centre public realm design arose from discussions regarding the area outside of the Cassino in the High Street. This area has been considered a congregation point for street drinking and anti-social behaviour. Discussions took place with LTC and the Littlehampton Traders Partnership on how to improve that area through re-design. The discussions highlighted the need for a more holistic approach and investment into a more encompassing Littlehampton Town Centre public realm design.
- 1.7 As a result of the above concerns it was suggested that a redesign of some of the public areas in the Town Centre would improve the environment and make better use of the space. A budget of £25,000 from Morrison's S106 contributions was identified to develop design plans for Littlehampton Town Centre. This budget could only be spent on work related specifically to the town centre itself.
- 1.8 A grant of £49,150 from Coastal Revival Fund (CRF) was awarded to the Council in May 2016 and is being used to support design plans for Littlehampton Town Centre and the interconnected routes via Beach Road to the Seafront and Riverside. The grant will also help to create a Heritage Trail for the routes highlighted within the design proposals.
- 1.9 In March 2016 and following a full tendering process LDA Design were appointed by the Council to conduct consultation and prepare designs for improvements to the public realm in the Town Centre and routes to the Seafront and Riverside (as funding became available). LDA have a strong track record of public realm design interventions, including the recent East Bank public realm improvements scheme. An inception meeting with LDA took place on 3rd March 2016.
- 1.10 Three Focus Group sessions, comprising of 36 Stakeholders, Officers and Member representatives from all 3 Councils took place on Wednesday 16th March 2016 to gather an insight and clear understanding on the challenges and opportunities for Littlehampton Town Centre improvements.
- 1.11 The ideas gathered from the Focus Groups were then formulated into Conceptual Design Plans by LDA Design to enable the Council to further consult and seek the views of the general public through public consultation. Extensive public consultation was undertaken over a 3 week period and 201 surveys were completed. A Public Exhibition was held in the rear room of Hunnies Café in the Town Centre which 115 people attended over a 3 day period.
- 1.12 See Appendix 2. for Littlehampton Town Centre Public Consultation Survey Results.
- 1.13 The consultation results and feedback from the survey were used by LDA Design to set the design objectives and principles and shape the detailed design proposals.

2. SUMMARY OF DESIGN PROPOSALS

- 2.1. The overall scheme aims to provide a strong interconnected pedestrian priority design for the Town Centre by the use of a high quality and co-ordinated palette of materials, furniture and planting. New lighting columns, paving materials, trees and unified street furniture will improve the connections through the Town Centre and create a less cluttered appearance.
- 2.2. The area of the proposed public realm improvements has been divided into a series of smaller project areas and design plans have been prepared for each. This will enable different phases of the scheme to be delivered over a period of time depending on the funding available.
- 2.3. The Design Objectives are:
 - The improvements to Littlehampton will create a place that people want to visit and that businesses want to locate to, attracting both local people and visitors to visit, relax and spend money.
 - The key pedestrian route between Littlehampton Train Station, High Street, Beach Road and Surrey Street linking to the Riverside should be strengthened.
 - A distinctive relationship to the town's maritime setting and history.
 - An environment that is inspiring and promotes the very best image for Littlehampton.
 - Enhancing pedestrian movement by reducing vehicle dominance.
 - To create opportunities for families to spend longer in the town and chances for play.
 - Create a vibrant and attractive centre to the town with space for al fresco dining, seating for shoppers, markets, high quality concessions and street entertainment.
 - Raise the quality of the town centre environment and experience.
 - Improved public realm to stimulate a sense of community pride.
 - To create an attractive Town Centre that is distinctive from other destinations.
 - Attract more and higher spending customers to the Town Centre.
 - Create a town that is more easily navigated on foot.
 - Variety of leisure activities for all ages, increasing visitor numbers and support a thriving economy.
 - Flourishing seasonal and all year round business and employment opportunities.

3. PROJECT DELIVERY

- 3.1. The capital costs associated with delivering the five phases of public realm design plans for Littlehampton Town Centre are estimated at £4.85m. The Council is reliant on external funding to deliver the scheme.
- 3.2. The public realm improvements are set out in 5 delivery phases as described below with each estimated deliver costs. They can be delivered separately as funding becomes available.
 - Littlehampton Train Station to Arundel Road - £669,000
 - Littlehampton High Street - £1,623,000
 - East Street through to High Street junction and Beach Road - £1,073,000
 - Surrey Street to Look & Sea Centre and Pier Road sections - £799,000
 - The War Memorial roundabout at Beach Road - £682,000

- 3.3. It is proposed that S106 contributions from the Morrison's Wick development are used to contribute to the costs of the technical studies. The S106 agreement stipulates that the contribution can be used 'for the development and implementation of the town centre improvements schemes and initiatives in accordance with the 'Littlehampton Vision' document dated 2004'.
- 3.4. In August 2012 the Sub-Committee allocated this funding for 'Town Team' projects and for a feasibility study for the St Martins car park development and professional fees associated with undertaking a procurement exercise to select a preferred developer. It is proposed that £15,000 is contributed from the Town Teams allocation and £40,000 from the St Martins car park proposals. **It should be noted however, that if this money is allocated for the public realm technical studies there will be no further funds available from S106 to prepare a development brief for the St Martins car park site.**
- 3.5. Part of the grant (£15,000) from Coastal Revival Fund will also be used to support the development of the project to RIBA Work Stages 4.

4. FUNDING OPPORTUNITY

- 4.1. To deliver the Public Realm improvements the Council will need to identify and secure external capital funding.
- 4.2. The Council has been successful in securing a grant of £49,150 from the Coastal Revival Fund (CRF). This funding is being used for the additional design plans required to interconnect the pedestrian route from the Town Centre and Beach Road roundabout to Littlehampton Seafront and Riverside. A Heritage Trail will also be incorporated into the overall design plans.
- 4.3. The 4th Round of Coastal Communities Fund (CCF) opened for bids in May 2016 with a fund of £36 million available to apply for in England. The Littlehampton Town Centre Public Realm improvement proposals meet the funding programme criteria and a Stage 1 application has been prepared.
- 4.4. It is expected that the grant will attract significant interest and competition from around the country.
- 4.5. A Stage 1 application was submitted to CCF by the Council on 30th June 2016. The Council has applied for capital funding to support the delivery of the public realm work for the Town Centre i.e. new paving, lighting, seating and trees. Should the Stage 1 application be accepted the Council will be invited by CCF to submit a more detailed Stage 2 application by late November 2016.
- 4.6. To meet the Stage 2 criteria for Round 4 of the CCF any capital proposal is required to be developed to a detailed Technical Design Stage (RIBA Work Stages 4). The cost of surveys and professional fees are estimated at £145,000. S106 contributions for Town Centre improvements can be used to part fund this.
- 4.7. The technical studies include: Highways Engineering; Road Safety Audits; Quantity Surveying and relevant survey requirements such as Topographical and Geophysical surveys.
- 4.8. West Sussex County Council and Littlehampton Town Council will be asked to contribute to costs of the Town Centre public realm project, both the technical

studies and project delivery costs.

5. NEXT STEPS

- 5.1. Should the design plans for Littlehampton Town Centre Public Realm improvements be supported by LRSC and ratified by Full Council. The Council will then await notification in August 2016 from CCF if it has been invited to submit a Stage 2 application. Technical survey studies for the design plans will be required for the Stage 2 application and ready by November 2016.
- 5.2. The Council is in the process of confirming WSCC's support for the scheme by way of a letter of support and later formally via a Section 278 agreement. A small section of the proposed project also needs the agreement of Network Rail as land owners.
- 5.3. If the Council is successful with the CCF bid it is anticipated that, following the production of technical design information and tender stages, the delivery of the scheme will commence in 2017 for completion in December 2019.
- 5.4. Additional Workshops, for Members, Officers and Stakeholders are planned for Thursday 7th July 2016 at the Arun Civic Centre and Look & Sea Centre. The purpose of the workshops are to develop the proposals for the routes from Beach Road to the Seafront and Riverside in a similar approach taken for the Town Centre

6. PROPOSALS

- 6.1 Given the strong level of public support for the scheme demonstrated by the public consultation it is proposed that the design plans (See Appendix 1) for the Town Centre are approved and delivered in partnership with LTC, WSCC and other stakeholders as and when the funding becomes available.
- 6.2 The capital cost of delivering the whole scheme is estimated to be £4.85m. The improvements can be split over 5 delivery phases. The brief required a scheme that could be delivered in phases, over a period of time and as funding becomes available.

7. OPTIONS:

- 7.1 To approve the Public Realm Design Plans for Littlehampton Town Centre and to apply for external funding to deliver the scheme in a phased approach as funding becomes available. A funding opportunity for the whole scheme has already been applied for to CCF (30th June 2016 deadline).
- 7.2 To not approve the Public Realm Design plans for Littlehampton Town Centre and Officers withdrawn the CCF Stage 1 application.

8. CONSULTATION:

- 8.1 Extensive consultation has been undertaken throughout the design process for Littlehampton Town Centre. A series of Focus Group sessions, comprising of 36 Stakeholders, Officers and Member representatives from all 3 Councils took place on Wednesday 16th March 2016 to gain a broad insight and clear understanding on the challenges and opportunities for Littlehampton Town Centre.
- 8.2 The ideas brought forward from the Focus Groups were formulated into conceptual design plans by LDA Design to enable the Council to further consult and seek the views of the general public on the consultation. Extensive Public Consultation took

place over a 3 week period between 25th April and 15th May 2016.

8.3 A Public Exhibition was displayed in the rear room of Hunnies Cafe in the Town Centre over a 3 day period. Approximately 115 people viewed the exhibition. (See Appendix 2. for Littlehampton Town Centre Public Consultation Survey results)

8.4 The design proposals were also presented to the public at:

- Arun Civic Centre reception
- Civic Society AGM at Littlehampton Town Council
- The Academy, Littlehampton
- The Tamarisk Centre

The exhibition was also promoted via:

- Press releases
- Radio promotion
- 500 Flyers distributed
- Posters
- ADC Website home page
- Social Media

8.5 All relevant Town, District and County Council Members and officers were invited to the staffed Public Exhibition in Littlehampton Town Centre.

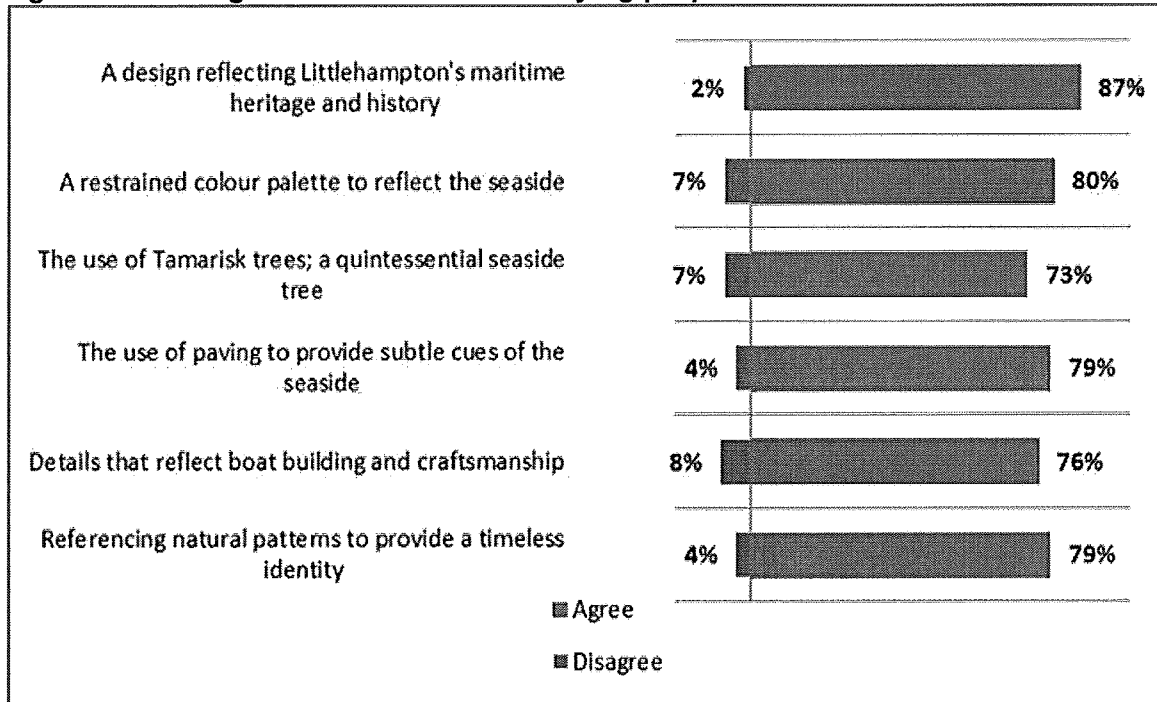
8.6 The general public were invited to comment on the proposals by way of a questionnaire which were available as hard copy and on-line. The Council received 201 completed surveys. Key findings and conclusions included the following:

- 87% supported a design reflecting Littlehampton's Maritime heritage and history.
- 94% wanted underutilised streets and spaces turned into new public spaces, pocket plazas, pocket parks for sitting in comfort, outside dining and Town Centre events.
- 88% supported the celebration of the arrival experience, setting the scene for Littlehampton; town arrival points that give strong messages of what to expect from the rest of the town.
- 84% agree that Beach Round roundabout should have new raised and paved crossings to infer pedestrian priority. Pavement space is maximised and sight lines to the War Memorial and along Beach Road are improved. New pocket plaza with seating and planting
- 74% agreed with the removal of existing street clutter (planters, railings and posts)
- 85% agreed with integrated lighting materials.

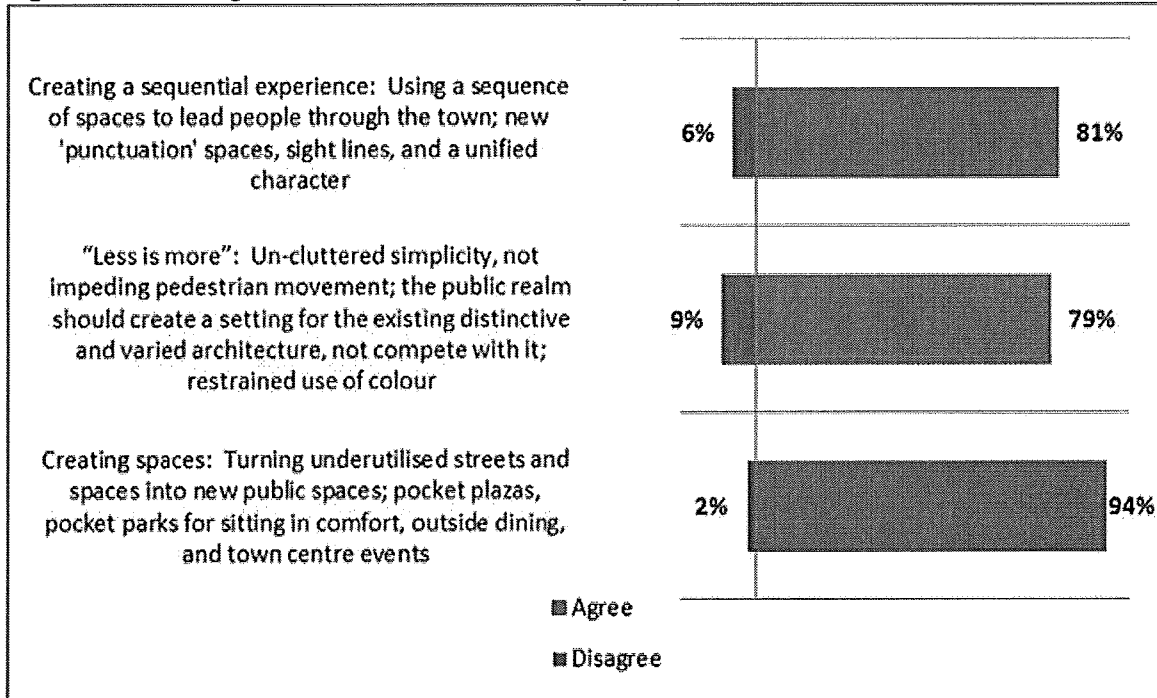
A summary of the survey findings can be found below and Full survey results are available in Appendix 2.

Public Consultation findings

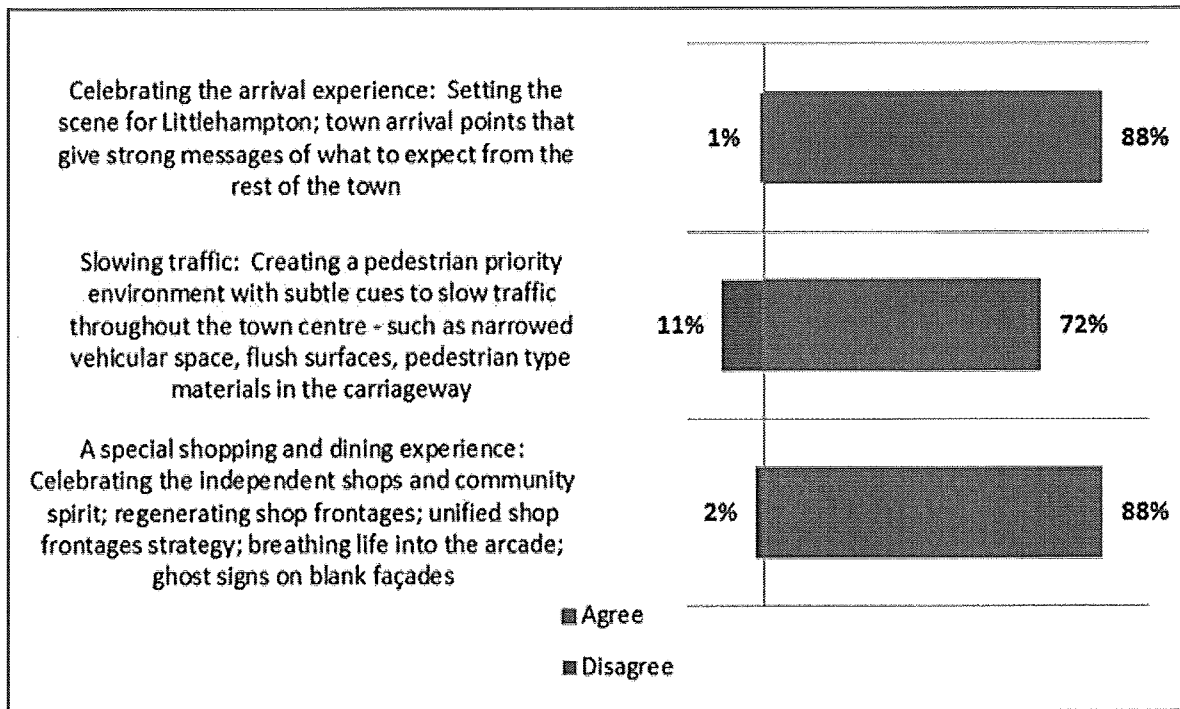
Agreement/disagreement with the underlying proposals



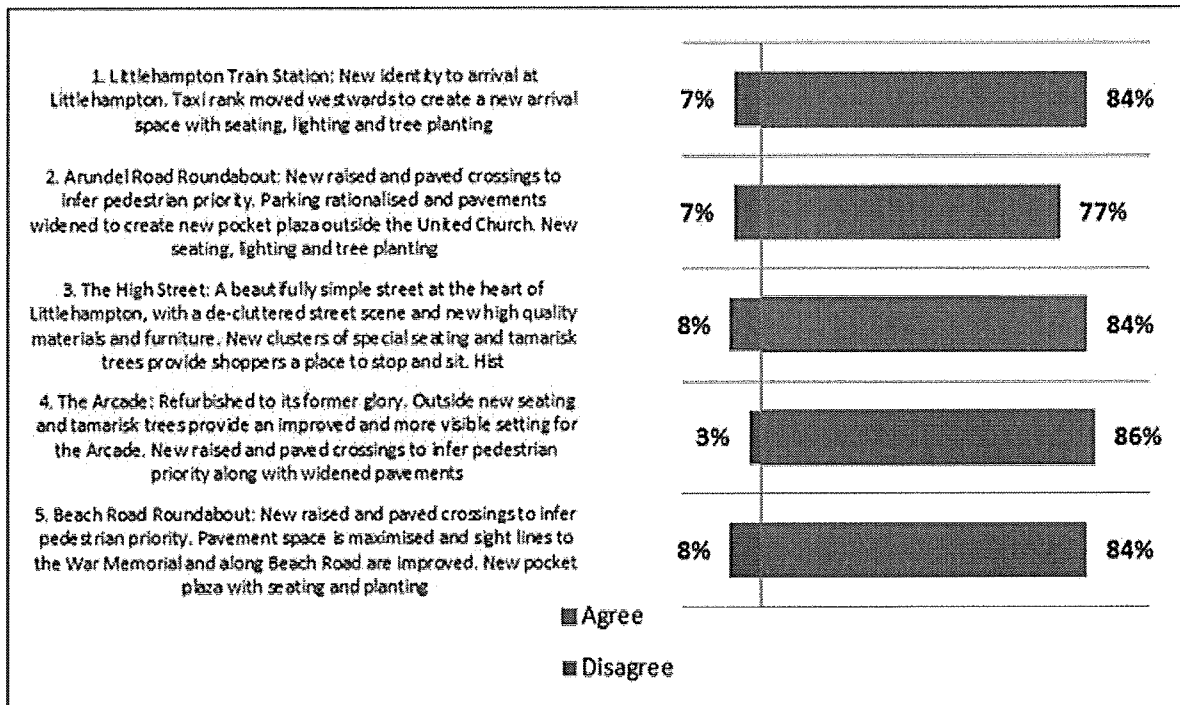
Agreement/disagreement with the underlying objectives



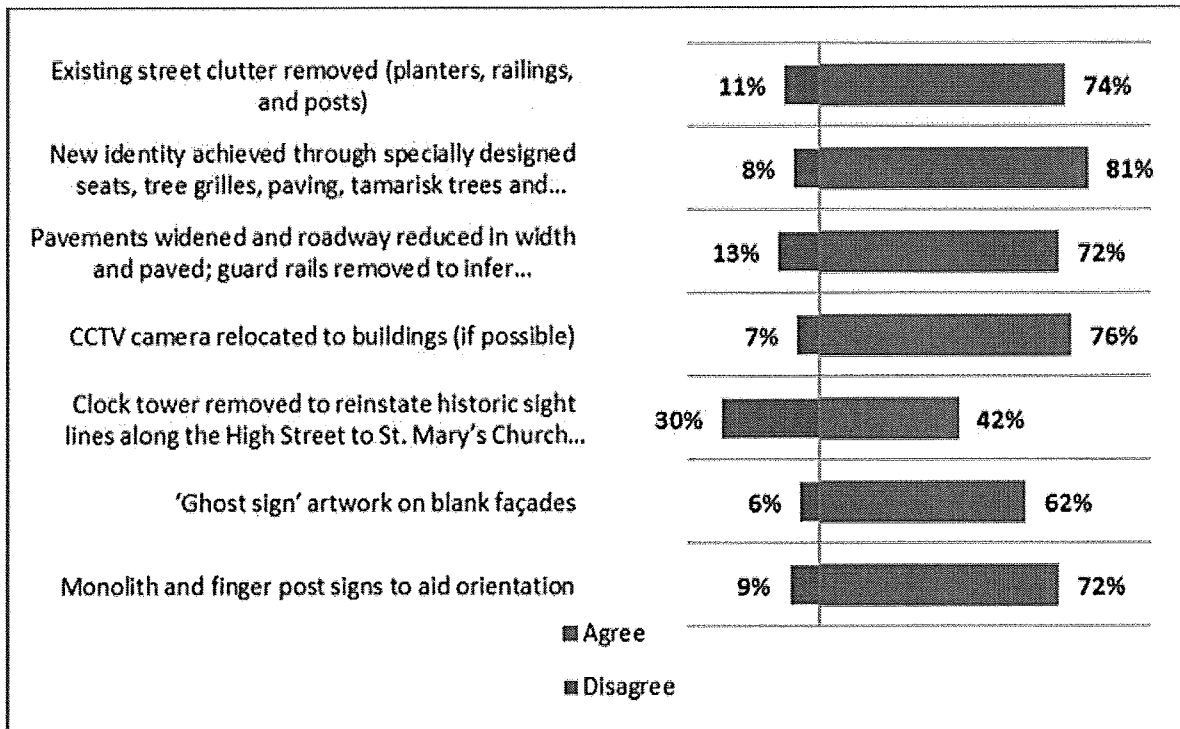
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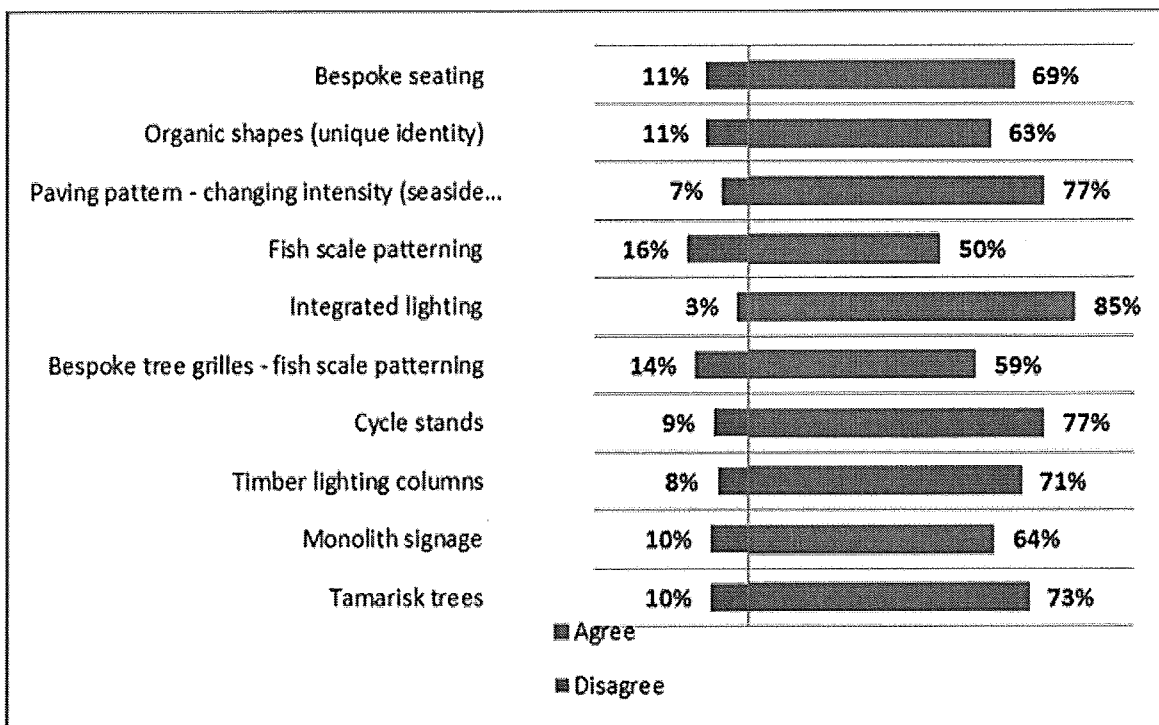
Agreement/disagreement with the proposals for specific areas of the town



Agreement/disagreement with proposals that will change the view looking along Littlehampton High Street



Agreement/disagreement with proposed materials and street furniture



Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council	x	
Relevant District Ward Councillors	x	
Other groups/persons (please specify)	x	
9. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	x	
Legal	x	
Human Rights/Equality Impact Assessment	x	
Community Safety including Section 17 of Crime & Disorder Act	x	
Sustainability	x	
Asset Management/Property/Land	x	
Technology		x
Other (please explain)		
10. IMPLICATIONS:		
<ul style="list-style-type: none"> • Land ownership and legal agreements will be required between WSCC, Network Rail and the Council. • The CCF application cannot progress without the support of a Supplementary Estimate. • The scheme cannot progress without achieving external funding. • Future maintenance responsibilities for the completed scheme will need to be clarified and formally agreed. 		

11. REASON FOR THE DECISION:

To gain Council support for the agreement of an overarching Design Plan for Littlehampton Town Centre, subject to achieving external funding.

To gain Council support to draw down funding through a supplementary estimate to develop design plans and ensure the Council's CCF application meets the relevant requirements to apply for a capital grant.

To improve the public realm environment in Littlehampton Town Centre.

12. BACKGROUND PAPERS:

Littlehampton Regeneration Sub-Committee, 17th March 2015, 21st July 2015, 2nd December 2015

Littlehampton Town Council Design Plans

9 Big Ideas for Littlehampton

Littlehampton Signage Plan

Concessions Strategy

Waterfront Strategy

Littlehampton Vision

The above documents can also be found at www.arun.gov.uk/regeneration-in-littlehampton

Appendices	Item
Appendix 1.	LDA Report - Littlehampton Town Centre Public Realm Design Proposals (attached)
Appendix 2.	Littlehampton Town Centre Public Consultation Survey Results (Attached)

ARUN DISTRICT COUNCIL

LITTLEHAMPTON REGENERATION SUB COMMITTEE ON 6 JULY 2016

PART A : REPORT

SUBJECT: Littlehampton Promenade Shelter Project

REPORT AUTHOR: Phil Graham **DATE:** 25th May 2016 **EXTN:** 37858

EXECUTIVE SUMMARY:

The shelter adjacent to Littlehampton Promenade (see location plan attached Appendix 1) is underused, is in a poor state of repair and adds little to the tourism offer of the seafront.

Council officers have identified this building as a possible regeneration site and wish to market it as a business opportunity. The expectation is that there will be interest from commercial enterprises that will want to either alter and refurbish the existing building or redevelop the site thereby bringing new and additional visitor provision to the seafront.

RECOMMENDATIONS:

1. The Sub Committee recommends to Full Council that the Council supports the proposal to market the site of the Littlehampton Promenade Shelter as a commercial development opportunity that will enhance and improve the visitor experience in Littlehampton.
2. The Sub Committee recommends to Full Council that the delegated powers authority of the Head of Finance & Property are utilised to market the Littlehampton Promenade Shelter site for commercial development.

1. BACKGROUND:

- 1.1. The Council are responsible for the shelter adjacent to Littlehampton Seafront Promenade. It is located midway between Littlehampton and Rustington Promenade and opposite the Skate Park (see location plan attached Appendix 1).
- 1.2. The shelter was built in the 1950's and is a traditional brick and concrete structure. It has no distinctive architectural features. It is sited on the shingle beach on a concrete sub-base. The shelter footprint is approximately 16m x 6m in size.
- 1.3. It is in a poor state of repair (see photo's on document attached Appendix 1) and has also suffered from repeated acts of vandalism because of its isolated location. It is rarely used as it was intended, as a sheltered sitting area for visitors and residents. Because of this it is now more likely to be used as a focal point for anti-social behaviour.

- 1.4. The cost to repair the shelter is prohibitive and could not be justified in light of other budget pressures the Council is now facing. If left, it may no longer be safe for the public to access and may need to be closed at some point in the future.
- 1.5. The shelters poor condition and appearance detracts from the improved visitor offer we wish to develop on the seafront. The site does however provide an opportunity to consider other uses that would enhance the visitor experience on the seafront through commercial development.
- 1.6. In recent years the Council has received 3 separate enquiries from interested parties to use the shelter as a commercial venture e.g. a windsurfing shop and café. A planning application had previously been submitted to the Council which was approved in 2010 for the shelter to be converted into a Kite Surfing Centre. This application however was not implemented and has now expired. These unsolicited enquiries and planning application indicate there will be good commercial interest in the site should it be put on the market.
- 1.7. Taking these factors into consideration i.e. the poor condition of the building, its underuse and the commercial interest already shown the Council is proposing to invite expressions of interest and to tender this business opportunity.
- 1.8. Investigations have been carried out to determine the footprint available, the stability of the existing foundations to either renovate or accommodate a new structure and to ascertain if connections to services are feasible. No significant issues were identified.

2. CONSULTATION

- 2.1. The proposal is supported by the Council's Asset Management Group.

3. PROPOSAL(S):

- 3.1. It is proposed that the Littlehampton Promenade Shelter site is marketed and advertised as a business / development opportunity.
- 3.2. The proposal would be offered on a long leasehold and the tenant would be responsible for all development costs and future costs such as business rates.
- 3.3. The new business use would need to enhance the tourism and visitor offer on the seafront of Littlehampton and tender selection would be weighted to meet this objective.
- 3.4. This proposal supports the Councils aim to encourage enterprise, entrepreneurship and job creation in the town.
- 3.5. This proposal has many benefits in so far as a new venture and investment will enhance and improve the tourism and visitor offer on the seafront, it will provide a new revenue stream for the Council and also remove a maintenance liability.

4. OPTIONS:

- 4.1. Littlehampton Promenade shelter is marketed and tenders invited for a new commercial use on the site. This will improve the visitor offer on the seafront, job opportunities in the town and provide a new revenue stream to the Council.
- 4.2. The shelter remains as it is. The building will need some remedial maintenance to make it acceptable for the public to use. This project would need to be prioritised over other maintenance demands and responsibilities. The visitor offer in Littlehampton will not be improved. No new revenue stream will be achieved for the council.
- 4.3. The shelter is demolished. A Budget would need to be identified to action this. However the Council's liability for business rates and maintenance would be removed so this would produce savings in the longer term. The visitor offer in Littlehampton will not be improved. No new revenue stream will be achieved for the Council.

5.0 CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council	X	
Relevant District Ward Councillors	X	
Other groups/persons (please specify)	Asset Management	
6.0. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	Yes	NO
Financial		x
Legal		x
Human Rights/Equality Impact Assessment		x
Community Safety including Section 17 of Crime & Disorder Act		x
Sustainability		x
Asset Management/Property/Land	Yes	
Technology		x
Other (please explain)		

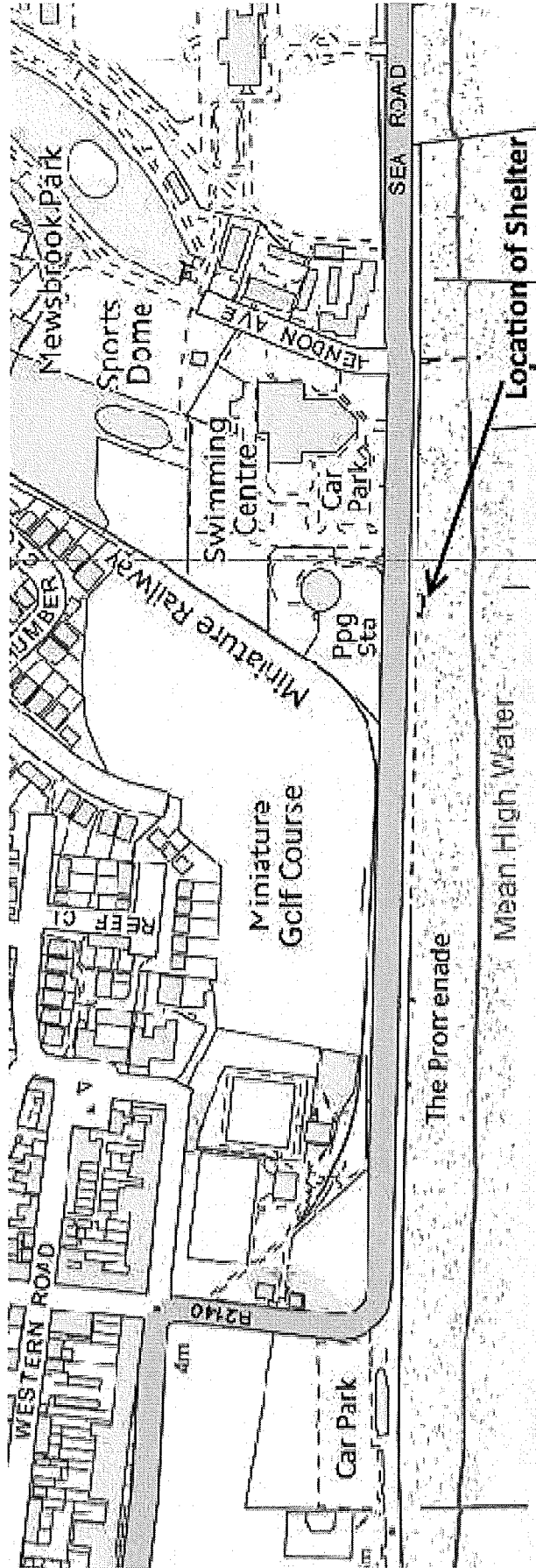
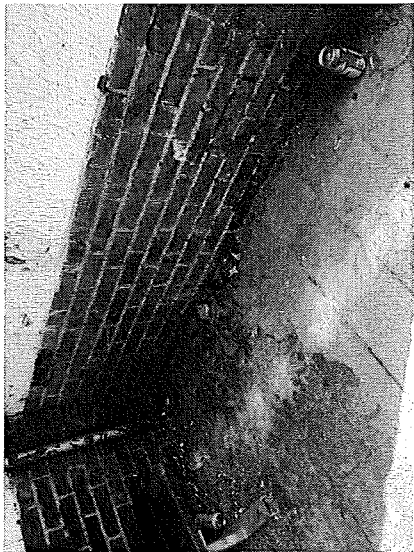
7.0 IMPLICATIONS:

None

8.0 REASON FOR THE DECISION:

Members are asked to consider the report and support officer recommendations.

9. BACKGROUND PAPERS: N/A



(Appendix 1. Photographs of Littlehampton Promenade Shelter and Location Plan)

ARUN DISTRICT COUNCIL

LITTLEHAMPTON REGENERATION SUB COMMITTEE ON 6 JULY 2016

PART A : REPORT

SUBJECT: Littlehampton Economic Growth Area Development Delivery Study

REPORT AUTHOR: Karl Roberts **DATE:** 16th June 2016 **EXTN:** 37697

EXECUTIVE SUMMARY:

This report provides an update on the Littlehampton Economic Growth Area Development Delivery Study which is part of the evidence base studies, which have been commissioned to support the preparation of main modifications to the Arun Local Plan (2011-2031) Publication Version (October 2014), and is for noting by members of the Littlehampton re-generation sub-committee.

RECOMMENDATIONS:

The following are recommended:

1. It is recommended that the Committee note the content of the Littlehampton Economic Growth Area Development Delivery Study.
2. The Committee recommends to Full Council that the Council as landowner supports the principle of residential development in some form on the land identified at Littlehampton Marina and St Martins Car park within the Council's ownership.

1.0 BACKGROUND:

1.1 The Littlehampton Economic Growth Area (LEGA) Development Delivery Study is intended to set out a clear vision for the Littlehampton Economic Growth Area and provide guidance for its future development and to support the emerging Arun Local Plan and to investigate the delivery of beneficial development to the area. LEGA includes the Harbour, large parts of the East Bank, the West Bank and the Town Centre. Littlehampton Harbour is a valuable asset for Littlehampton and the surrounding area. The Harbour area includes both the East and West Banks. The Railway Wharf on the East Bank is safeguarded for the importation of minerals in the adopted West Sussex Minerals Local Plan and has been identified as a key opportunity for regeneration within LEGA. The West Bank area comprises commercial, associated marine engineering and storage, as well as residential communities and is also identified as a key opportunity for regeneration within LEGA.

1.2 The vision for the regeneration of the West Bank is for a comprehensive, mixed use regeneration scheme which provides the area and Littlehampton Harbour with a sustainable long term future. Development proposals will protect and enhance the marine and estuarine heritage, existing businesses and residences and the

surrounding environment and habitats, whilst providing opportunities for new businesses, residents and visitor attractions, improving accessibility and links with Littlehampton town centre and contributing to the town's regeneration.

- 1.3 A consultant team comprising GL Hearn, BACA Architects and JBA Consulting was commissioned by Arun District Council in February 2016 to produce a Development Delivery Study for the Littlehampton Economic Growth Area (LEGA). The LEGA is identified within the emerging Arun District Local Plan as a key location to deliver in the region of a 1,000 homes, together with supporting employment uses.

2.0 PROPOSAL

- 2.1 This 2016 report by the consultancy team is the third report to be produced in recent years, following the 2010 West Bank Regeneration Study led by BACA Architects and the 2012 West Bank Development Delivery Study led by GL Hearn. The aim of the current report is to address the issues raised by the Inspector and provide robust evidence that can enable the LEGA policy to be found sound at the resumed Local Plan Examination.

- 2.2 The study comprises the following main elements:

- Identification of site constraints;
- A review of the planning policy context;
- An assessment of sites in relation to capacity to deliver housing and supporting commercial uses;
- A review of the flood risk position and strategy for protecting development at West Bank;
- Testing the viability of the proposed scheme at West Bank, including the major infrastructure costs;
- Outlining the delivery mechanisms to bring forward development at West Bank, and within the East Bank/Town Centre area, together with a timetable for delivery for the West Bank proposals; and
- Revised Local Plan policy wording.

- 2.3 The Study identifies several parcels of land for possible development as part the work. The following Arun District Council owned land has been identified for development in the study:

- Littlehampton Marina site 1 (West Bank): potential for 90-140 units.
- Littlehampton Marina site 2 (West Bank): potential for 180-240 units.
- St. Martin's Car Park (East Bank): potential for 40-60 units.
- Car Park Depot (East Bank): potential for 40 units but identified as unlikely to come forward.

3.0 CONCLUSION

3.1 The conclusions and recommendations are set out in detail in Section 8 of the Final Report and include the following key elements:

- Delivery Mechanism
- Flood Risk Protection Strategy
- Major Infrastructure Requirements and Costs
- Evidence on Viability
- Revised LEGA Policy Boundary:
- Revised Planning Policy

In conclusion, West Bank is a major brownfield redevelopment, with the prospect of delivering a significant quantum of housing and supporting commercial uses to meet the requirements of the Local Plan, especially the revised housing numbers. The consultancy team are of the opinion that the West Bank strategic allocation of 1,000 homes as part of the wider LEGA allocation of 1,100 homes represents a suitable location for development, is available for development and is likely to be viable at the point at which it starts to be implemented in around 5 years' time. Moreover, the proposed allocation has considerable regenerative benefits to protect existing residents and businesses and support the growth of the Littlehampton economy.

4.0 OPTIONS: The report is for information only.

5.0 CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council	x	
Relevant District Ward Councillors	x	
Other groups/persons (please specify)		
6.0. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		x
Legal		x
Human Rights/Equality Impact Assessment		x
Community Safety including Section 17 of Crime & Disorder Act		x
Sustainability		x
Asset Management/Property/Land	x	
Technology		x
Other (please explain)		

7.0 IMPLICATIONS:

None

8.0 REASON FOR THE DECISION:

Members are asked to note the content of the Littlehampton Economic Growth Area Development Delivery Study and the Committee recommends to Full Council that the Council as landowner supports the principle of residential development in some form on the land identified at Littlehampton Marina and St Martins Car park within the Council's ownership.

9. BACKGROUND PAPERS:

- **Littlehampton Economic Growth Area Development Delivery Study Final Report** (available, copies of the report can be viewed in the Members' Room, or by viewing the Local Plan Examination page at <http://www.arun.gov.uk/local-plan-examination>.)

LICENSING AND ENFORCEMENT COMMITTEE
AND
LICENSING COMMITTEE

8 July 2016 at 9.30 a.m.

Present : Councillors Dingemans (Chairman), Patel (Vice-Chairman), Cates, Charles, Clayden, Mrs Daniells, Dillon, Hitchins, Mrs Oakley, Oliver-Redgate, Mrs Pendleton, Warren and Wheal

[Note: Councillors Charles, Clayden and Mrs Oakley were absent from the meeting during consideration of the matters referred to in Minutes 74 to 80 (part).]

Councillor Brooks was also in attendance at the meeting.]

74. APOLOGY FOR ABSENCE

An apologies for absence had been received from Councillor Cooper.

75. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interests of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

There were no declarations of interest made.

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76. MINUTES

The Minutes of the meeting held on 13 May 2016 were approved by the Committee as a correct record and signed by the Chairman.

77. START TIMES

The Committee

RESOLVED

That the start times of meetings for the remainder of 2016/17 be 9.30 a.m.

LICENSING AND ENFORCEMENT COMMITTEE

78. APPLICATION FOR GAMING MACHINES ON LICENSED PREMISES

The Committee received a report from the Assistant Licensing Officer which set out the detail of an application for 5 gaming machines for use by customers at The Southdowns Hotel, 133 Felpham Way, Bognor Regis. The Assistant Licensing Officer requested that reference to Option 2.1.a. under recommendations be deleted.

In considering the matter, the point was raised as to the rationale behind why the Committee needed to consider applications for more than 4 gaming machines. It was advised that it had been a policy decision that the Committee had made in the past but could be revisited, if required.

The Committee

RESOLVED

That the application be granted.

79. APPLICATION FOR GAMING MACHINES ON LICENSED PREMISES

The Committee received a report from the Assistant Licensing Officer which set out the detail of an application for 5 gaming machines for use by customers at The Martlets, Aldwick Road, Bognor Regis. The Assistant Licensing Officer requested that reference to Option 2.1.a. under recommendations be deleted.

Following consideration, the Committee

RESOLVED

That the application be granted.

80. REVIEW OF MOBILE HOMES LICENSING FEES POLICY

After the first full year of operating the revised mobile homes regulatory regime introduced by the Mobile Homes Act 2013, the Environmental Health Manager now presented this report which reviewed the Mobile Homes Licensing Fees Policy and recommended some changes based on officer experience. He highlighted an amendment to the policy and stated that under Section 10, Publishing and Reviewing the Fees Policy, first bullet point, the wording should be deleted after “implementation” and the second bullet point should be deleted in its entirety with the remainder of the section to remain unchanged.

The Committee was advised that the key changes proposed related to:-

(1) a supplementary charge where sites had been fragmented to reflect the extraordinary time and costs incurred for processing applications;

(2) increased fees in most cases to reflect experience of how long applications take to administer;

(3) including information on powers available to the local authority if the annual fee is not paid, to aid transparency; and

(4) extend the period between reviews of the policy from three years to five years (although could still bring back to Committee sooner in the event of special circumstances).

In discussing the matter, concerns were raised at the level of increases being proposed, particularly with regard to the smaller sites. The Environmental Health Manager explained that the initial fees had been based on estimates by a pan Sussex Group but these had proved to be inadequate due to the increased level of administration that was now required of officers under the new regime. Officers needed to have a more detailed knowledge of the implications of the management and ownership structures of sites and the whole process was proving to be much more time consuming than anticipated. The Council now had additional obligations when dealing with mobile home licences – previously there had been no obligation for the Council to look at every aspect of the site to ensure that the owner was able to comply with the conditions and structure in such a way so as not to exploit

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the residents. The process was much more onerous and that was why the transfer fee had been increased so significantly.

The Environmental Health Manager further advised that the increased fee was not arbitrary but had been based on the evidence taken over the previous year. If the costs incurred were not fully recovered, the tax payer would have to subsidise site operators. Additional clarification was given that the annual fee had not increased significantly, it was the extra work caused by the transfer of licences that had resulted in higher fees.

Following consideration, the Committee

RECOMMEND TO FULL COUNCIL

That the revised Mobile Homes Licensing Fees Policy in respect of 'Relevant Protected Sites', as set out within Appendix 1 of the report, be adopted.

(The meeting concluded at 10.06 a.m.)

ARUN DISTRICT COUNCIL

LICENSING & ENFORCEMENT COMMITTEE – 8 JULY 2016

Recommendation Paper

Subject: Review of Mobile Homes Licensing Fees Policy

Report by: Nat Slade, Environmental Health Manager Report date: 28 June 2016

EXECUTIVE SUMMARY

After the first full year of operating the revised mobile homes regulatory regime introduced by the Mobile Homes Act 2013, the policy is due to be reviewed. The paper recommends some changes to the fees policy based on officer experience.

RECOMMENDATIONS

Option 3.1(a): Members are requested to recommend to Full Council to adopt the revised fees policy in respect of 'Relevant Protected Sites' set out within Appendix A attached to this report

1.0 INTRODUCTION

- 1.1. Caravan sites have been licensed since the Caravan Sites and Control of Development Act 1960 was enacted. Until 2015 it, along with campsites, were the only licensing regimes the Council operated that it could not recover at least some of the costs of regulation from the licence holders. In 2015 the Mobile Homes Act 2013 expanded the scope of the Council's remit in regulating mobile homes sites, and allowed the Council to adopt a "Mobile Homes Licensing Fees Policy" which has allowed the Council to charge fees to the owners of residential caravan sites since 2015.
- 1.2. The policy is now due to be reviewed after its first full year of operation. The fees within the initial policy were calculated on the basis of estimates by a pan Sussex group of how long various tasks were expected to take. After a year of operating the revised regulatory regime, experience at Arun shows that some of these times estimated need to be adjusted to better reflect typical process times.
- 1.3. In 2015/16 fees charged under this policy amounted to £3,110. This was less than half of the Council's £8,000 plus legal costs associated with regulation of

the mobile homes sector. More than £4,000 of unrecovered costs has been associated with regulation falling outside the scope of charging (e.g. for harassment investigations, and work on enforcement cases which can be sought from the defendants via the court, etc.).

- 1.4. Although the fees recovered in 2015/16 did not fully cover the costs incurred by the Council in delivering those rechargeable services, it is not proposed that the shortfall be added to the 2016/17 fees. It was considered by officers to be unfair given that there was uncertainty as to the amount of time that the local authority incurs in delivering new and amended functions. It was considered more important to ensure that the 2016/17, and future fees are increased to ensure they more fully recover the costs.
- 1.5. Table 1 shows the number of residential sites licensed by Arun District Council that would qualify as 'Relevant Protected Sites'.

Table 1: Number of Relevant Protected Sites in Arun in 2016.

Band	A (2 – 5 units)	B (6 – 24 units)	C (25 – 99 units)	D (100+ units)	E (Single unit sites and family sites)
Number of Relevant Protected Sites	0	5	7	4	36

2. Proposed Changes

- 2.1. Appendix A contains the fees policy with the proposed revisions included. These proposed changes are outlined below along with their rationale.
- 2.2. To introduce a supplementary charge for new licence/transfer applications for each additional Land Registry title involved in the relevant protected site. The Council's experience in dealing with these sites since the new regulatory regime came into place on 1st April is that sites which have their ownership fragmented into separate titles add significantly to the time it takes to process applications. Officers' view is that this should not be subsidised by either other site operators or residents via their Council tax.
- 2.3. To increase the fees to reflect the Council's experience in dealing with these sites since the new regulatory regime came into place which has been used to amend the typical time periods which applications and other processes take.
- 2.4. The revised policy includes information on powers available to the local authority if the annual fee is not paid. This is to improve transparency and make it clear the site licence can be revoked as a consequence of non-payment.

- 2.5. The date on which the annual fee is due has been changed. This is to reflect the anniversary of when the first annual fee invoices were sent.
- 2.6. It is proposed that the period between reviews of the policy be changed from every three years to every five years in the interests of efficiency.
- 2.7. The tables below show the 2015/16 fees and the proposed fees for 2016/17.

Table 2: Mobile Home Fees 2015/16

Number of units on site	A (2 – 5)	B (6 - 24)	C (25 - 99)	D (100+)	E (Single unit sites and family sites)
New Application for Site Licence	£251	£332	£381	£446	£100
Transfer of Site Licence	£126	£126	£126	£126	£25
Amendment of Site Licence	£141	£141	£141	£141	£75
Annual Fee	£138	£162	£200	£244	Exempt
Depositing of park rules with Local Authority	£95	£95	£95	£95	N/A

Table 3: Proposed Mobile Home Fees 2016/17

Number of units on site	A (2 – 5)	B (6 - 24)	C (25 - 99)	D (100+)	E (Single unit sites and single family sites)
New Application for Site Licence *	£515*	£655*	£739*	£851*	£100
Transfer of Site Licence*	£380*	£492*	£548*	£604*	£100
Amendment of Site Licence	£292	£292	£292	£292	£75
Annual Fee	£162	£186	£223	£268	Exempt
Depositing of park rules with Local Authority	£107	£107	£107	£107	N/A

* If the number of land registry titles for the site exceeds one, an additional fee of £100 per additional land registry title will be added to the new and transfer application fees stated in the table above.

3. Options

- 3.1. Members may:

- (a) Resolve to Recommend to Full Council to adopt the revised fees policy in respect of 'Relevant Protected Sites' set out within Appendix A attached to this report

OR

- (b) Amend the revised Fees Policy and recommend to Full Council to adopt the amended fees policy.

4. Appendices

- 4.1. Appendix A: Mobile Homes Licensing Fees Policy
- 4.2. Appendix B: Method of calculating fees

Background Papers: None

Contact: Nat Slade – Environmental Health Manager. Ext: 37683

Arun District Council's Mobile Homes Licensing Fees Policy

The Caravan Sites and Control of Development Act 1960 (The Act) has been amended by the Mobile Homes Act 2013 (The 2013 Act).

As of 1 April 2014 Local Authorities have been able to reclaim costs for administering and monitoring site licences for 'Relevant Protected Sites' only. This allows for a fee to be levied in relation to the following:

- New Application for Site Licence;
- Transfer of Site Licence;
- Amendment of Site Licence;
- Annual Fee (To cover cost of annual inspection); and
- Depositing of park rules with Local Authority.

This policy has been developed with reference to the following documentation:

- Department for Communities and Local Government (DCLG) guidance document on setting fees published in Feb 2014.
- LGA Open for business - LGA guidance on locally set fees.
- DCLG Park Homes: Site Licensing - Definition of relevant protected sites.

This policy has also been framed in conjunction with the Pan Sussex Group, which comprises of most Local Authorities (LA) within the County and is attended by LA officers who deal with site licensing matters on a regular basis.

The policy relates to the following matters:

- The fee payable in each circumstance;
- The method of apportionment of those costs in setting those fees;
- If an annual fee is payable, when it is to be paid;
- Determine implementation date;
- How surpluses and deficits are to be treated; and
- Other matters that are deemed to be relevant.

1. Definition of Relevant Protected Site

Any licensable caravan site will be deemed to be a Relevant Protected Site unless exempted. A site is exempted if it has planning permission or a site licence for exclusive holiday use or there is a restriction on use as a permanent residential site.

In addition, a site which has consent for holiday use and ancillary residential use, but that use is only by the owner or his employees working on the site, then their permanent occupation does not make the site a Relevant Protected Site.

If any doubt arises as to whether a site falls under the definition of a Relevant Protected Site, then the guidance issued by the Department for Communities and

Local Government (DCLG) entitled 'Park Homes: Site Licensing - Definition of relevant protected sites' will be referred to by officers in order to clarify the status of the site.

2. Breakdown of Costs

The Mobile Homes Act 2013 enables a Local Authority to reclaim costs for administering and monitoring site licences, but prevents a local authority from:

- Making a profit;
- Recovering enforcement costs for a breach of condition etc, as separate provisions provided for under the Mobile Homes Act 2013; or
- Recovering costs associated with unlicensed sites.

Each application type and annual inspection has been broken down into its constituent parts in order to identify clearly:

- Each task involved in the process;
- The average amount of time taken to complete each task; and
- The job role of the officer completing the task.

The 'On-costs' (Salary of post holder + any additional costs incurred by the employer as a result of employing a person in that position) for each job role has then been applied to each template to determine the overall fee associated with each application type, as well as, calculate the annual fee due.

For a copy of these calculations please see **Appendix**.

3. Fees payable

The fees are based upon the number of units located on each site, which are split into four individual bandings.

Below is a table stating the fee associated with each application type within each banding.

Number of units on site	Band A (2-5)	Band B (6-24)	Band C (25-99)	Band D (100+)	Band E (Single unit sites and single-family sites)
New Application for site licence*	£515*	£655*	£739*	£851*	£100
Transfer of site licence*	£380*	£492*	£548*	£604*	£100
Amendment of site licence	£292	£292	£292	£292	£75
Annual Fee	£162	£186	£223	£268	Exempt
Depositing of park rules with local authority	£107	£107	£107	£107	N/A

*** If the number of land registry titles for the site exceeds one, an additional fee of £100 per additional land registry title will be added to the new and transfer application fees stated in the table above.**

The fees stated above are subject to change for the reason outlined in the paragraph below.

A Local Authority cannot make a profit from the proceeds raised, in respect of the Relevant Protected Site licensing fees. Therefore, at the start of each financial year the Local Authority will need to assess the revenue raised in the previous financial year against the costs accrued, in respect of administering the regime in relation to Relevant Protected Sites. If a surplus is being made then the fees will need to be adjusted accordingly. If a deficit is being made then the Council reserves the right to increase the fees in order to recover costs. In order to ensure that any surplus or deficit can be responded to quickly, Officers, in conjunction with the Service Manager, are authorised to amend the calculation of fees if the need were to arise.

4. Single unit sites and single family sites

The following sites are, as a policy decision, exempt from having to pay an annual fee:

- Site consisting of 1 unit; and

- Sites occupied solely by the owner and their family and not run for financial gain (This would include typical small Gypsy Roma & Traveller Sites).

The above sites have been exempted as it is not intended to undertake annual inspections of these sites due to the following reasons:

- not unduly burden individual households

Any complaints received will be responded to in accordance with our complaints procedure.

A nominal fee for the other application types will be charged in respect of single unit site occupiers and family sites to reduce the financial burden upon individual park home-owning households.

If the applicant claims to qualify for Band E due to being a single family site, then additional information may be requested by officers in order to verify this claim. If there is any doubt as to the legitimacy of the claim then the matter will be referred to the Environmental Health Manager or another manager in the Environmental Health service to determine what banding the site falls into and therefore the appropriate fee that needs to accompany the application.

5. Fees for depositing Site rules

Site Rules are different to the site licence conditions and are put in place by the owner of a site to ensure acceptable standards are maintained which will be of benefit to occupiers or will promote and maintain community cohesion on the site. The MHA13 changes the way site rules must be agreed between both parties. The council must keep an up to date register of site rules on relevant protected sites and publish the register on-line.

Before publishing the site rules the council must ensure that the rules deposited with them have been made in accordance with the statutory procedure. A fee can be charged for this function, which is shown in the table at paragraph 3.

Any site rules deposited with the local authority for the first time or applications to vary or delete existing site rules must be accompanied by the appropriate fee. The fee is the same for either a first deposit or for a subsequent amendment or deletion. This is because the process will be very similar for all three types of deposits.

6. Enforcement costs

Where there has been a breach in a site licence condition which comes to the attention of the council we may serve a compliance notice.

The 2013 Act has amended the CSCDA60, so that it now details the elements which a local authority may include when imposing a charge for enforcement action. These include the time involved in deciding to serve and prepare the notice.

A detailed breakdown of the relevant expenses would be provided with the compliance notice. Charges would be based on an hourly rate in addition to any other costs incurred for example legal costs.

Charges for enforcement costs cannot be passed onto the residents pitch fee.

If any works in the compliance notice are not carried out the licence holder commits an offence and the local authority may consider taking legal proceedings. Any costs associated with this process would be at the discretion of the court. If a prosecution was successfully taken, the council would have the power to carry out the works in default of the licence holder.

7. Implementation date

The Fees Policy first came into force on the 25th February 2015 and was reviewed and revised in 2016.

8. Charging arrangements for annual fee

The annual fee will be due on the 15th January 2017 for any existing sites and annually thereafter. Any sites licensed for the first time after the implementation date will attract an annual fee on the anniversary of grant.

9. How surpluses and deficits are to be treated

A local authority can only charge in order to recover costs. Therefore, the fees will need to be reviewed annually and adjusted accordingly if a surplus or deficit has inadvertently been made. Any changes to the calculation of fees will be made by officers in conjunction with the Service Manager. Any change to the fees policy itself must be approved by the Licensing and Enforcement Committee.

10. Publishing and reviewing the fees policy

This fees policy will be published on Arun District Council's website at www.arun.gov.uk.

A review of the fees policy will be undertaken by officers every five years thereafter, the findings of which will be presented to the Licensing and Enforcement Committee for their consideration. Any change to the fees policy itself must be approved by the Licensing and Enforcement Committee. If officers identify a need to amend the fees policy during the intervening period, then the Committee will be convened in order to consider the proposed changes and make a determination.

11. Other matters

Please note that a local authority is not required to consider any application made in relation to a Relevant Protected Site unless that application is accompanied by the

correct fee. This also applies to fees due when park rules are being deposited with the Local Authority.

If the application is not approved then the applicant is **NOT** entitled to a refund, as the application has been processed.

If an annual fee is not paid, the local authority is entitled to apply to a tribunal for an order requiring it to be paid. If that order is breached, the local authority can enforce the order in the county court. If after three months from the order the arrears have still not been paid, the local authority can apply for an order revoking the site licence.

ADC NEW LICENCE APPLICATION				
Task	Action	Bandings	Time (mins)	Costs (£)
1	Initial enquiry, planning checks, setting up case		60	26.51
2	Initial site inspection and guidance	Band A (1-5 units)	30	28.00
		Band B (6-24 units)	45	42.00
		Band C (25-99 units)	60	56.00
		Band D (100+ units)	90	84.00
3	Travel Time		60	56.00
4	Land Registry Search (Includes a flat rate fee of £6)		10	10.42
5	Background checks on applicant to determine suitable person to hold licence. Then validate application. (A and B-D)		120	112.00
			180	79.53
6	BAND B, C & D ONLY - Preparation of draft site licence and consultations (applicant, fire service, planners etc), feedback.		120	112.00
7	BAND A ONLY - Preparation of draft site licence and consultations (applicant, fire service, planners etc), feedback.		30	28.00
8	Issue site licence (including any amendments following consultation)		30	13.26
9	Update public register		15	6.63
10	Site Licence checked and signed by Lic Man		15	15.38
11	Carry out full site inspection	Band A (1-5 units)	30	28.00
		Band B (6-24 units)	60	56.00
		Band C (25-99 units)	120	112.00
		Band D (100+ units)	180	168.00
12	Travel Time		60	56.00
13	Records & admin.		30	28.00
14	Communication with site owner re outcome of visit	Band A (1-5 units)	30	28.00
		Band B (6-24 units)	45	42.00
		Band C (25-99 units)	60	56.00
		Band D (100+ units)	90	84.00
	NEW LICENCE FEE - Band A		9h 40m	515.72
	NEW LICENCE FEE - Band B		10h 40m	655.72
	NEW LICENCE FEE - Band C		12h 10m	739.72
	NEW LICENCE FEE - Band D		14h 10m	851.72

Officer Role	hourly rate of officer including 'On-Costs'.
Senior H & S Officer (LT)	56
Admin Support (LA)	26.51
EHM(LM)	61.52

ADC LICENCE AMENDMENT

Task	Action	Time (mins)	Costs (£)
1	Initial enquiry, setting up case, send out application form & fee request	30	28.00 LA
2	Receipt & validation of application	30	28.00 LA
3	Check historic breaches, outstanding notices etc	120	112.00 LA
4	Amend site licence & re-issue	45	42.00 LA
5	Site Licence checked and signed by Lic Man	15	15.38 LM
6	Amend public register	15	14.00 LA
7	Additional time for considering proposed amendments, drafting alternative conditions, undertaking any consultation or correspondence required	120	53.02 LT
	VARIATION FEE	3h 50m	292.40

Officer Role	hourly rate of officer including 'On-Costs'.
Admin Support (LA)	26.51
Senior H & S Officer (LT)	56
PEHO(LM)	61.52

ADC DEPOSIT OF SITE RULES			
Task	Action	Time (mins)	Costs (£)
1	Check for prohibited rules and proof of consultation/compliance	60	26.51 LT
2	Scan and place .pdf of rules on website	30	28.00 LA
3	Communicate/consult with residents affected by site rules	60	26.51 LT
4	Review any feedback	30	13.26 LT
5	Finalise deposit of site rules	30	13.26 LT
	FEE FOR DEPOSIT OF SITE RULES	3h 30m	107.53

Officer Role	hourly rate of officer including 'On-Costs'.
Admin Support (LA)	26.51
Senior H & S Officer (LT)	56
PEHO (LM)	61.52

ADC ANNUAL LICENCE FEE			
Task	Action	Bandings	Costs (£)
1	Check site inspection register to determine next routine inspection		15 14.00
2	Contact site owner to agree appointment for next inspection and update records		15 6.63
3	Review file		15 6.63
4	Travel time		60 26.51
5	Visit site and carry out routine inspection. Note compliance and non-compliance with site licence conditions	Band A (1-5 units)	30 13.26
		Band B (6-24 units)	60 26.51
		Band C (25-99 units)	120 53.02
		Band D (100+ units)	180 79.53
6	Site record keeping		45 42.00
7	Communication with site owner (to include correspondence) and filing	Band A (1-5 units)	30 13.26
		Band B (6-24 units)	45 19.88
		Band C (25-99 units)	60 26.51
		Band D (100+ units)	90 39.77
8	Complaints & Enquiries		60 26.51
9	Revisit Allowance including travel time of 60 mins (Anticipated that 1 in 3 will need revisits, therefore hourly rate divided by 3)	Band A (1-5 units) - 90mins divided by 3	30 13.26
		Band B (6-24 units) - 120mins divided by 3	40 17.67
		Band C (25-99 units) - 150mins divided by 3	50 22.09
		Band D (100+ units) - 180mins divided by 3	60 26.51
	ANNUAL FEE - Band A	5h	162.04
	ANNUAL FEE - Band B	5h 55m	186.34
	ANNUAL FEE - Band C	7h 20m	223.90
	ANNUAL FEE - Band D	9h	268.08

Officer Role	hourly rate of officer including 'On-Costs'
Admin Support (LA)	26.51
Senior H & S Officer (LT)	56
PEHO(LM)	61.52

ENVIRONMENTAL SERVICES & COMMUNITY DEVELOPMENT
WORKING GROUP

28 June 2016 at 6.00 p.m.

Present: - Councillors Bicknell, Brooks, L.Brown, Cates, Clayden (substituting for Councillor Maconachie), Dingemans, English, Mrs Hall (substituting for Councillor Mrs Maconachie), Hitchins, Mrs Neno, Northeast, Oliver-Redgate, Mrs Porter, Purchase, Reynolds, Dr Walsh, Warrant, Wells and Wheal.

Councillors Bence, Cooper, Dendle, Dillon, Elkins, Mrs Harrison-Horn and Mrs Oakley were also present for all or part of the meeting.

1. ELECTION OF CHAIRMAN

The Director of Environmental Services opened the meeting and directed Members to the process for electing the Chairman and Vice-Chairman of the Working Group for the forthcoming year, as set out on the front pages of the Agenda.

Councillors Hitchins, Dr Walsh and Wheal were proposed and seconded for the role and, following a vote on all three candidates, the Working Group

RESOLVED

That Councillor Hitchins be elected as Chairman for 2016/17.

Councillor Hitchins then took the chair.

2. ELECTION OF VICE-CHAIRMAN

In line with the above process, Councillors English and Dr Walsh were proposed and seconded for the role of Vice-Chairman of the Working Group and, following a vote, the Working Group

RESOLVED

That Councillor English be elected as Vice-Chairman for 2016/17.

The Constitution at Part 3, Paragraph 6.2 (Working Groups) provided that Working Groups should each elect their own Chairman and Vice-Chairman but was silent on the process. The Working Group agreed that the

following procedure (as used at the meeting) was satisfactory and should be recommended for inclusion in the Constitution:-

1. At the first meeting of the Working Group, before proceeding to any other business, elect a Chairman and Vice Chairman to hold office for the remainder of the Council year.
2. Nominations to be invited from the Members of the Working Group. Each nomination will be treated as a proposal for which a seconder will be required. A vote by show of hands will be taken on each nomination that has been seconded. Every Member of the Working Group that is present at the meeting shall have one vote only. The nominated member who receives the majority of votes is elected.
3. The Working Group is asked to elect its Vice-Chairman based on the same procedures in 2 above.
4. In the absence of the Chairman (or Vice Chairman) from a meeting of the Working Group a Chairman (or Vice Chairman) may be appointed by those Members present as Chairman (or Vice Chairman) for that meeting.

The Working Group then

**RECOMMEND TO THE CONSTITUTIONAL REVIEW TASK
& FINISH WORKING PARTY**

That the Constitution be amended to take account of the procedure to elect a Chairman and Vice-Chairman of Working Groups at the start of the municipal year, as set out above.

3. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Mrs Bence, Buckland, Maconachie and Mrs Maconachie.

4. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.

- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interest of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

Councillor Mrs Neno declared a personal interest in Agenda Item 8, Strategic Vision for the Future of Public Convenience Services in Arun, as she was employed by Rustington Parish Council.

The following Councillors declared a personal interest in Agenda Item 8, as they were members of Parish Councils affected by the proposed changes:-

Councillors Dr Walsh (Littlehampton Town Council), Bicknell (Angmering Parish Council), English (Felpham Parish Council), Purchase (Littlehampton Town Council - he also stated that he was a member of the Group that had debated the matter at the Town Council but he had retained an open mind), Brooks (Bognor Regis Town Council) Northeast (Littlehampton Town Council), Warren (Littlehampton Town Council), Mrs Hall (Pagham Parish Council) and Reynolds (Bognor Regis Town Council).

5. MINUTES

The Minutes of the meetings of the Environmental Services & Community Development Working Group held on 17 February 2016 and the Leisure, Tourism & Infrastructure Working Group held on 3 February 2016 were signed by the Chairman as a correct record.

6. CHANGE OF NAME AND TERMS OF REFERENCE

Following the decision taken at Full Council on 16 March 2016 to amalgamate the Leisure, Tourism & Infrastructure Working Group and the Environmental Services & Community Development Working Group, Members were requested to consider a new title for this Working Group as the Environment and Leisure Working Group. In addition, approval was sought for the Terms of Reference as laid out in the Agenda.

The Working Group

RECOMMEND TO FULL COUNCIL – That

(1) the title of the amalgamated Working Group be the Environment & Leisure Working Group; and

(2) the Terms of Reference be approved.

7. CHANGE TO THE ORDER OF THE AGENDA

Following a request from the Chairman, it was agreed that the update on the new Littlehampton Leisure Centre be considered before the detailed report on Public Convenience Provision in Arun for the benefit of officers.

8. NEW LITTLEHAMPTON LEISURE CENTRE

The Principal Landscape Officer presented this brief update on the progress to date on the delivery of a new leisure centre in Littlehampton and was pleased to advise that work had started on the early pre-construction phase, with a spring 2017 date anticipated for commencement of the actual build.

The Working Group put forward a number of questions, some of which were responded to at the meeting but others, as the Director of Environmental Services pointed out, could not be as it was too early in the process and work was still being undertaken to refine the timetable.

Members particularly wanted to be assured that public consultation would be undertaken with regard to the design and the Director of Environmental Services was able to give that assurance. In addition, the Working Group would be kept fully informed as the project progressed and this item would be included in the work programme for all its meetings for 2016/17.

A Member request was made that, in light of the next item on the agenda relating to public convenience provision in the District, an option be considered with regard to incorporating the toilet facilities at Mewsbrook Park with those at the new centre. A response was given by the Director of Environmental Services that that had indeed been considered and made perfect sense.

The Principal Landscape Officer was able to confirm that

- a. the project was running to schedule
- b. local businesses and suppliers would be encouraged to be involved under the Local Charter Partnership
- c. the existing centre would not cease to operate until the new one was opened

A question was asked about the new pool meeting ASA standards and a response given that this would be dealt with outside of the meeting. In addition, on being asked whether a 50m pool could be accommodated, Members were advised that expert advice had been given that 50m was not viable. Sport England calculations had recommended that the optimum size for the pool should be 25m x 8 lanes and that there was insufficient demand for a 50m pool. Furthermore, the additional construction and running costs would outweigh the revenue receipts, making the Centre unaffordable.

It was agreed that the Working Group would be given the earliest opportunity to view the design drawings when they became available.

The Working Group

RECOMMEND TO CABINET

That the update on project progress and the award of contracts for the framework contractor and client representative be noted.

9. STRATEGIC VISION FOR THE FUTURE OF PUBLIC CONVENIENCE SERVICES IN ARUN

(The Working Group agreed that Councillors Elkins and Bence could address the meeting in their roles as Ward Members for Ferring and Aldwick East respectively.)

In the course of discussion, Councillor Wells declared a personal interest as a member of Bognor Regis Pier Trust which had made representation on the matter.)

In the absence of the Greenspace & Cleansing Contract & Development Manager, the Director of Environmental Services presented this report which sought approval for a new strategic vision for the public convenience service in Arun in order to align it with the Council's Corporate Priorities and support delivery of the Council's 2020 Vision. The Council had to review the service in light of the requirement to save £4 million revenue annually and in the context of its medium term Financial Strategy.

In addition, and as part of the work undertaken, a survey had been carried out to assess customer satisfaction, which had come back at 34% and which illustrated that the service was not up to standard. It was therefore clear that action had to be taken to review the service.

As a result of the review and as laid out in the body of the report, it was proposed that there would be fewer but much improved facilities for the use of residents and visitors to the District. A comprehensive raft of recommendations had been put forward for the Working Group to consider recommending to Cabinet for approval.

At the request of the Chairman, Councillor Dendle as Cabinet Member for Leisure & Amenities, sat at the table and was invited to contribute to the debate.

Councillor Dendle informed the meeting that, having considered the report in detail, he wished to amend the recommendations as follows:-

(11) That the Council offers the respective Parish or Town Councils the option to transfer the public conveniences identified in recommendations 7, 8,

& 9 above to them, including all functions and costs. Negotiations will be led by Property & Estates with the final decisions made through the Asset Management Group. ~~Should an agreement to transfer not be agreed by October 2016 the Council will pursue closure/demolition.~~

(14) To be deleted. ~~To give Rustington Parish Council 12 months' notice of withdrawal of the contribution of £6,700 Arun District Council currently makes towards the public conveniences in Rustington. Reason: He considered that Rustington Parish Council had demonstrated an effective model for public convenience provision.~~

Members participated in a very full debate which centred around concerns in respect of the veracity of the information that had been provided. It was felt that there were inaccuracies in the report that needed to be addressed and also, there was insufficient information to be able to make any clear and informed decisions – in some areas much more detailed figures, costings and evidence was required. Members also did not feel comfortable that consultation had not been undertaken with the Town and Parish Councils prior to the report being put forward for Members' consideration.

The Director of Environmental Services advised that a decision was required of Members as to the overall strategy of the Council with regard to public convenience provision in the District. Once that was confirmed, discussion would be entered into with the Town and Parish Councils with regard to options and the possibility of alternative provision.

The Cabinet Member for Leisure & Amenities informed the Working Group that he had written to the Town and Parish Councils to give them pre-warning that the matter was going to be discussed and the report was publicly available prior to the meeting. No toilets would have to close - if the relevant Parish Council saw it as a priority they could make the decision to retain the facility. There were other innovative options yet to be considered, such as involving local businesses, etc but at this point Members were just being requested to consider the overall strategy and discussion with the parishes would follow.

The Resources Director and Deputy Chief Executive contributed to the debate by reinforcing the message that Members had to inform Cabinet of the strategic direction to be taken because, if they did not, there would not be the money to invest to have better facilities – the only way forward was to have fewer as there just wasn't the money to go round. He was concerned that he had only heard reasons not to go forward on this and that there had so far been no discussion on the positive points in the report. He reiterated that officers could and would open discussions or negotiations with the Town and Parish Councils once the strategic direction was made clear around the possible transfer of service delivery, as highlighted at recommendation (11). Members were reminded that only 5 of the 24 public conveniences throughout the district had been earmarked for potential out and out closure.

Following some further general discussion, an amendment was tabled by Councillor Dr Walsh and seconded by Councillor Hitchins as follows:

Recommendations (1) to (4) remain unchanged and be recommended onto Cabinet for approval.

With regard to recommendations (5) to (15) that

(a) officers be requested to open consultation with the public and Parishes on recommendations (5) to (15) but excluding (14) which had been deleted and (11) which had been amended by Councillor Dendle;

(b) investigate and cost the full range of alternative ways to keep and enhance toilets through third party, Parish Councils or community input; and

(c) a progress report be presented to the next meeting of the Working Group.

In considering the amendment, comment was made that this was the best way forward as no decision would be taken on possible closure at this stage and officers would be able to enter into negotiations with other parties. It was also requested that a regular progress report be provided to the Working Group on how matters were progressing.

The Working Group then

RECOMMEND TO CABINET - That

1) Arun District Council adopts the following strategic vision for its public conveniences: "To provide and sustain affordable, good quality public conveniences in key areas which enhance both residents and visitors perception and experience of Arun" and that this vision is delivered through the recommendations set out below;

2) available resources be prioritised and invested at the following key sites in order to improve customer satisfaction in public conveniences;

- Mill Road, Arundel
- Bedford Street, Bognor Regis
- Foreshore Station, Bognor Regis (Disabled only)
- Regis Centre, Bognor Regis
- Hotham Park, Bognor Regis
- West Park, Aldwick
- Coastguards, Littlehampton
- Mewsbrook Park, Littlehampton
- St Martins Car Park, Littlehampton

- Blakes Road, Felpham
- West Beach, Climping
- Sandy Road, Pagham
- Norfolk Gardens, Littlehampton

3) all key sites, with the exception of those that are already pay to use, continue to be free to use by members of the public

4) the priority construction of a modern above ground facility on the Esplanade in Bognor Regis (position to be determined) be funded by the Capital Project Prioritisation budget to replace and allow closure of the dated underground public conveniences at Waterloo Square and the Esplanade.

With regard to recommendations (5) to (15)

(a) officers be requested to open consultation with the public and parishes on recommendations (5) to (15) but excluding (14) which had been deleted and (11) which had been amended by Councillor Dendle; and

(b) investigate and cost the full range of alternative ways to keep and enhance toilets through third party, Parish Councils or community input; and

(c) a report be presented to the next meeting of the Working Group.

5) the following public conveniences move to the following seasonal opening hours:

- Blakes Road, Felpham (Easter only then 1st May – 30th September)
- West Beach, Climping (Easter only then 1st May – 30th September)
- Sandy Road, Pagham (Easter only then 1st May – 30th September)
- Norfolk Gardens, Littlehampton (Easter only then 1st May – 30th September plus opening for Littlehampton Bonfire event)

6) options for a commercial development to include the retention and management of a smaller public convenience facility is explored at:

- Crown Yard Car Park, Arundel

- 7) the following public conveniences be closed alternative uses for the site/land be explored in line with the Council's Asset Management Strategy:
- Snooks Corner, Felpham;
 - Shrubbs Field, Middleton-On-Sea;
- 8) the following site be closed as public conveniences and options be looked at for managing its use through the Council's Greenspace Management Contract solely in association with the booking of sports facilities
- West Meads, Aldwick
- 9) the following public conveniences be closed and demolished:
- Ferring Rife, Ferring;
 - Ferring Street, Ferring
 - North Street Wick Littlehampton
 - Avisford Park
 - London Road, Bognor Regis
- 10) any capital receipts generated by disposal of public convenience sites be retained for the future enhancement of the remaining public convenience facilities
- 11) the Council offers the respective Parish or Town Council the option to transfer the public conveniences identified in recommendations 7, 8 & 9 above to them including all functions and costs. Negotiations will be led by Property & Estates with final decisions made through the Asset Management Group. ~~Should an agreement to transfer not be agreed by October 2016 the Council will pursue closure/demolition.~~
- 12) all current Parish & Town public convenience contributions be discontinued and to refrain from entering into any future contributory arrangements with Town & Parish Council's for priority public conveniences retained by Arun.
- 13) the closure of the East Preston public conveniences currently leased to East Preston Parish Council in the event of surrender or non-renewal of the current lease arrangements by the Parish Council, then exploring alternative uses for the site in line with the Asset Management Strategy.
- 14) ~~To give Rustington Parish Council 12 months' notice of withdrawal of the contribution of £6,700 Arun District~~

~~Council currently makes towards the public conveniences in Rustington.~~

- 15) in order to deliver the strategic vision for public conveniences, sufficient and sustained long term funding via the Capital Project Prioritisation budget is required to improve those sites retained as a priority. This investment should be determined by a capital project plan to be compiled by Property & Estates following adoption of the strategy.

10. WORK PROGRAMME

In considering and noting the Work Programme, it was agreed that a progress report on public conveniences would be added. In addition, the Director of Environmental Services, in response to a query, gave an undertaking to circulate to all Members of the Working Group additional information relating to Pollution Forecasting as the matter was not due to be considered until the meeting on 1 November 2016.

(The meeting concluded at 8.04 pm)

**ENVIRONMENT & LEISURE WORKING GROUP
DRAFT TERMS OF REFERENCE 2015/16**

(NB: TITLE OF WORKING GROUP TO BE AGREED AT FIRST MEETING)

Working Group	ENVIRONMENT & LEISURE
Established	Decision taken at Full Council on 16 March 2016 to combine the Leisure, Tourism & Infrastructure Working Group and the Environmental Services & Community Development Working Group. First meeting of the Working Group 28 June 2016.
Membership	To be made up of volunteers of not less than 6 members, with no maximum number Not required to be politically balanced Quorum – One quarter of the whole number of Members
Chairman/Vice-Chairman	The Chairman and Vice Chairman will be elected at the first meeting of the Working Group in each municipal year.
Aim of Working Group	To consider policies and strategies and to review performance and other issues relating to Leisure Management, Leisure Strategy, Tourism Activity, Environmental & Community Services. The Working Group may be requested to consider items by referral from the Overview Select Committee, Full Council and Cabinet or other Committee or Sub-Committees. The Working Group may also determine its own work and propose items to be included in the Work Programme with the agreement of the majority of Members. The Working Group will not consider issues dealt with by the Regeneration Subcommittees or by other existing Committees or Subcommittees of the Council unless items are referred to it by such a Committee. It may, however, consider any outcomes from such Committees. Statutory Scrutiny of the Safer Arun Partnership (under Section 19 of the Police and Justice Act 2006) will be carried out by the Working Group who will report this to the Overview Select Committee.
Work Programme	The Work Programme to be agreed and reviewed by the Working Group. Terms of Reference to be reviewed annually by the Working Group.
Reporting arrangements	Working Groups can report into the Overview Select Committee, Cabinet, and Full Council
Open to the public?	Yes except when dealing with matters of a confidential nature
Term	Ongoing
Programme of meetings	Regular meetings will be held at least once per meeting cycle. Agreed dates for 2016/17 are: 28 June, 6 September, 1 November 2016 and 17 January and 14 March 2017.
Consultation programme	Consultation to be carried out as required and agreed by the Working Group.
Research/documents	As required.
Lead Officers	Philippa Dart, Roger Wood, Calvin Baylis
Committee Manager	Carrie O'Connor

HOUSING & CUSTOMER SERVICES WORKING GROUP

07 July 2016 at 6.00 p.m.

Present: - Councillors Mrs Ayres, Blampied, Clayden, Mrs Harrison-Horn, Mrs Porter and Mrs Rapnik.

1. ELECTION OF CHAIRMAN

The Committee Manager opened the meeting and directed Members to the process for electing the Chairman and Vice-Chairman of the Working Group for the forthcoming year, as set out on the front pages of the Agenda.

Councillor Clayden was proposed and seconded for the role and, following a vote, the Working Group

RESOLVED

That Councillor Clayden be elected as Chairman for 2016/17.

Councillor Clayden then took the chair.

2. ELECTION OF VICE-CHAIRMAN

In line with the above process, Councillor Mrs Pendleton was proposed and seconded for the role of Vice-Chairman of the Working Group and, following a vote, the Working Group

RESOLVED

That Councillor Mrs Pendleton be elected as Vice-Chairman for 2016/17.

The Constitution at Part 3, Paragraph 6.2 (Working Groups) provided that Working Groups should each elect their own Chairman and Vice-Chairman but was silent on the process. The Working Group agreed that the following procedure (as used at the meeting) was satisfactory and should be recommended for inclusion in the Constitution:-

1. At the first meeting of the Working Group, before proceeding to any other business, elect a Chairman and Vice Chairman to hold office for the remainder of the Council year.
2. Nominations to be invited from the Members of the Working Group. Each nomination will be treated as a proposal for which a seconder will be required. A vote by show of hands will be taken on each nomination that has been seconded. Every Member of the Working Group that is

present at the meeting shall have one vote only. The nominated member who receives the majority of votes is elected.

3. The Working Group is asked to elect its Vice-Chairman based on the same procedures in 2 above.

4. In the absence of the Chairman (or Vice Chairman) from a meeting of the Working Group a Chairman (or Vice Chairman) may be appointed by those Members present as Chairman (or Vice Chairman) for that meeting.

The Working Group then

**RECOMMEND TO THE CONSTITUTIONAL REVIEW TASK
& FINISH WORKING PARTY**

That the Constitution be amended to take account of the procedure to elect a Chairman and Vice-Chairman of Working Groups at the start of the municipal year, as set out above.

3. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors; Bicknell, Edwards and Oppler.

4. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interest of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

There were no Declarations of Interest made.

5. MINUTES

The Minutes of the meeting of the Housing & Customer Service Working Group held on 7 January 2016 were approved and signed by the Chairman.

6. START TIMES

The Working Group

RESOLVED

That its start times for meetings during 2016/17 be 6.00 pm.

7. TERMS OF REFERENCE

The Chairman referred Members to the Terms of Reference for the Housing & Customer Services Working Group 2016/17 and sought approval for the Terms of Reference as laid out in the Agenda.

The Working Group

RECOMMEND TO FULL COUNCIL – That

the Terms of Reference for the Housing & Customer Services Working Group be approved.

8. EMPTY HOMES ASSISTANCE PROGRAMME UPDATE

The Principal Environmental Health Officer updated Members on the Council's Empty Homes Assistance Programme and the current work that is being undertaken by the Council.

Members were reminded that on 3 July 2014 the Housing and Customer Services Working Group recommended to Cabinet the approval of the Empty Homes Assistance Programme (EPAP) which would provide grants and loans and also assist with enforcement work to bring empty properties back into use. The Council entered into a service level agreement with Adur and Worthing Council for the provision of 2 days of empty homes work for a 2 year period. This had been extended for a further two years to March 2018.

It was noted that this agreement ensured the continuation of the empty homes work and, by working in partnership with Adur and Worthing councils, good practice could be shared. It was pointed out that this work was with privately owned homes and the Empty Homes Officer was part of the Private Sector Housing and Public Health Team within the Housing Department.

It was explained that empty homes represented a wasted resource and in the long term could have a negative impact on local communities by:

- attracting crime, vandalism and anti-social behaviour
- becoming a public health hazard
- potentially reducing the value of adjacent properties
- become costly with possible police action and the Council's Private Sector Housing & Public Health Team as well as loss of Council Tax Revenue.

It was noted that, as of April 2016 there were 494 Empty Homes in the Arun District based on Council Tax records. Members were informed that the Council was taking a proactive approach and had adopted an Empty Homes Strategy (2012-2017) which detailed the aims when tackling long term empty residential properties. Since 2010 176 empty properties had been brought back into use.

Members were informed that the New Homes Bonus, a grant paid by Central Government for increasing the number of homes, was currently out for consultation and there was a proposal that the funding would be paid for 4 years rather than 6.

Following a number of questions that were responded to at the meeting, the Chairman thanked the Principal Environmental Health Officer for her informative update. He welcomed the work that was being undertaken to restore empty homes which assisted those with housing need whilst enhancing the local community.

9. CUSTOMER SERVICES SHARED SERVICES PROJECT

The Head of HR and Customer Services presented Members with an update on Customer Services Shared Service and circulated a briefing paper tabled at the meeting.

It was suggested that Members read the Shared Services Paper which would be going to Cabinet on 11 July 2016 as this gave an overview of all the shared services projects.

It was explained that the current financial environment for Local Authorities was extremely challenging and would only become more so. The three Councils looking at potential Shared Services, Arun, Chichester and Horsham, had predicted budget deficit. It was noted that shared services had the potential to deliver more resilient customer services with reduced costs and with improvement in processes over time. The Head of HR and Customer Services pointed out that a critical element to be understood and taken into account in any final decision by the Council was the Customer Services link with most other services within the Councils and that Customer Services would never be able to work in isolation.

Members were informed that, in March 2016, Arun, Chichester and Horsham District Councils agreed that there was merit in exploring the potential to share ICT, Customer Services, HR, Legal, Internal Audit, Transactional Finance and Revenues and Benefits. It was agreed by Cabinet

on 8 February 2016, that each of these areas would review the option of a shared service and to what extent this might be practical, desirable and deliver savings and efficiencies.

It was noted that although the original parameters for the Project included all of Customer Services for all three Councils, Horsham notified the other partners at a meeting on 15 June 2016 that it did not wish to continue with shared Customer Services at this stage, although it would still be involved in other work streams (Audit, Legal and HR).

It was anticipated that there would be savings across the councils due to economies of scale. Both councils were keen to retain good levels of Customer Service and although increased customer self-service would be a feature face to face contact would be retained.

Members were informed that the next stage of the project must be completed by December 2016. Agreement to go forward depended on Cabinet on 11 July 2016 and Full Council on 20 July where shared services would be addressed as part of the wider picture on the 'Vision 20:20'.

Following a number of questions responded to at the meeting the Chairman thanked the Head of HR and Customer Services for her informative update.

10. WORK PROGRAMME 2016/17

In discussing the work programme 2016/17, items were added and allocated dates as follows:

- Update from stonepillow – September 15 2016
- Draft rent arrears policy – scheduled for September 15 2016
- New Housing & Planning Act – date to be confirmed

The work programme 2016/17 was then noted.

(The meeting concluded at 7.10 pm)

HOUSING & CUSTOMER SERVICES WORKING GROUP - TERMS OF REFERENCE 2016/17

Working Group	HOUSING AND CUSTOMER SERVICES
Established	Established following the decision taken at the Full Council Meeting on 24 March 2011 to change the arrangements for meetings for the new Council year 2011/12
Background	Following Consultation with working parties and all Members the Overview Select Committee meeting on 15/3/2011 recommended that Working Groups be introduced. This was agreed by Cabinet on 7 th March 2011 and forwarded to the Governance Committee so that changes to the Constitution could be made. The Full Council meeting on 24 March 2011 made the decision to implement the recommended changes. This Working Group has operated for just over two years and no change was made to the Working Group's remit following review in March 2012. In July 2012 there was a review of responsibility of Working Groups following a management restructure and reallocation of Cabinet Portfolios.
Membership	Membership as at May 2016 (Confirmed at Annual Council) Cllrs; Mrs Ayres, Bicknell, Blampied, Clayden, Mrs Daniells, Edwards, Mrs Harrison-Horn, Oppler, Mrs Pendleton, Mrs Porter, Mrs Rapnik Quorum – One Quarter of the whole of the number of Members
Chairman/Vice-Chairman	The Chairman and Vice Chairman will be nominated by the members of the Working Group at the first meeting of the Municipal Year.
Aim of Working Group	To consider policies and strategies and to review performance and other issues relating to the Housing & Community Services Portfolios. The Working Group may be requested to consider issues by referral from the Overview Select Committee, Full Council and Cabinet. The Working Group may also determine its own work and propose items to be included in the Work Programme. The Working Group will not consider issues dealt with by existing Committees or Sub-Committees of the Council unless items are referred to it by such a Committee. It may, however, consider any outcomes from such Committees.
Work Programme	The Work Programme to be agreed and reviewed by the Working Group. Terms of Reference to be reviewed annually by the Working Group.
Reporting arrangements	Working Groups can report into the Overview Select Committee, Cabinet, and Full Council
Open to the public?	Yes
Term	Ongoing
Programme of meetings	Regular meetings will be held at least once per meeting cycle. Agreed dates for 2016/17 are: 07 July 2016, 15 September 2016, 10 November 2016, 26 January 2017 and 23 March 2017
Consultation programme	Consultation to be carried out as required and agreed by the Working Group.
Research/documents	As required.
Lead Officers	Brian Pople and Jackie Follis
Support Officer	Committee Manager (Erica Keegan)

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF FULL COUNCIL 20 JULY 2016

PART A : REPORT

SUBJECT: The Council's 2020 Vision – Working together for a better future

REPORT AUTHOR: Nigel Lynn, Chief Executive
DATE: 12 July 2016
EXTN: 01903 737600

EXECUTIVE SUMMARY:

Following the LGA Corporate Peer Challenge Review in March 2014, the Council has been considering how it needs to change to reflect the predicted shift in the population and business needs for the future, in the knowledge of the Council's reducing financial stability.

The 2020 Vision programme has been established to provide the strategic direction required to help the Council become a more effective and sustainable one and to enable it to meet future demands that are placed upon it.

The report sets out proposals across a range of services to contribute towards the required financial savings to assist reducing the Council's continued reliance on its General Fund Balances.

Some elements of the identified projects will also improve resilience or increase income generation and overall improve the Council's financial prospects through to 2020. This report should be read in conjunction with the separate report entitled "2020 Vision Programme (including Shared Services) which includes a full list of the projects at Appendix A.

The report also sets out proposals to further reduce the Council's Management overhead starting with the Corporate Management Team (CMT), and - in later phases - Senior Management Team (SMT) and management grades in general.

RECOMMENDATIONS:

It is recommended to Full Council that it:

1. agrees the 2020 Vision for the Council, as outlined in this report, and understands the serious implications arising which will require detailed consideration by Members and Officers;
2. supports the general revised structure principles, outlined in Section 4 of this report, and give authority to the Chief Executive – in liaison with the Leader of the Council - to progress and

implement the proposed revised outline structure;

3. A sum of up to £50k is agreed to assist and support with the Council's proposed management restructure. Full Council supported (on 13 January 2016) an estimated sum of £120,000 being included in the proposed 2016/17 revenue budget to enable the highlighted projects to progress. The funds required to obtain external support for this management restructure to be funded from within the approved current budget;
4. approves a supplementary estimate of up to £100k In 2016/17 (this equates to an amount of £1.73 on a Band D Council Tax) to implement the initial Corporate Management Team (CMT) restructure proposals and consequential redundancy costs of one Director and build into the 2017/18 budget a further sum to fund the restructure costs and any consequential redundancy costs of a second Director to conclude the Corporate Management Team restructure;
5. By January 2017, the new senior management structure to be assessed and consulted upon and any redundancy of other consequential costs be built into the 2017/18 budget report to be considered by Full Council in February 2017.
6. notes the full one-off costs as set out in paragraph 4.5 in respect of the two approved redundancies which will provide a total pay-back period of approximately 1 -1.5 years;
7. notes there will remain an anticipated financial shortfall following Phases 1 & 2 of the 2020 Vision programme. A further report on later proposals (including digital issues) will be presented to Cabinet and Full Council in due course. Additional funds may be required to progress future phases; and
8. uses the approved recommendations in this report and the 2016 updated Medium Term Financial Strategy as the basis of this Council's Efficiency Plan submission to Government by 14 October 2016.

1.0 BACKGROUND

1.1 LGA Corporate Peer Challenge (19-21 March 2014)

Headlines were presented to Full Council (30 April 2014) and an Action Plan agreed (Full Council 18 June 2014). In summary, the report (May 2014) is very positive, highlighting "strong top team" leadership from the Leader, Cabinet and the Chief Executive, Resources Director and Deputy Chief Executive and Directors that constitute the Corporate Management Team (CMT).

1.2 However, the report did highlight that there are a number of issues for the Council to consider, in particular:

Given there is no 'burning platform' providing an immediate change imperative, the Corporate Peer Challenge Review Team think there is currently insufficient attention to developing a change and transformation plan which will secure the Council's financial position in the longer term. There is a risk that the Council may not take advantage of the breathing space offered by the current position to develop a proactive approach to all the challenges ahead.

The Corporate Peer Challenge Review Team believe the Council needs a clearer vision for

customer services which is both agreed and enjoys the commitment of Members and senior managers across the organisation.

- 1.3 Overall, the Council continues to improve. The two most important customer satisfaction issues for the public are the quality of front line services, and general cleanliness of the district. In April 2016, 69% were 'very' or 'fairly' satisfied with cleanliness (68% in 2015), whilst 74% were 'very' or 'fairly' satisfied with services provided by the Council (75% in 2015), with 'very satisfied' increased from 22 % to 26%.

2. WHY DOES THE COUNCIL NEED TO CHANGE?

- 2.2 The Medium Term Financial Strategy (MTFS) 2015-2021 was agreed by Cabinet on 16 November 2015 and by Full Council on 13 January 2016. At Full Council on 23 February, the 2016/17 budget approved increases in Council Tax of 3.1%, and above inflation increases in most fees and charges that the Council can control. This was in line with the recommended scenario contained in the MTFS. These increases therefore assisted, to an extent, the Council's financial position. As a consequence, the revenue budget deficit was reduced by about £1m per annum compared to the "do nothing" scenario over a 5 year period. The Council is still forecast to see its balances fall below the recommended level by 2020 if no further improvement to the Council's revenue/budget deficit is made over 2016-2018 financial years through the Vision 2020 work. The Government's intentions on changing/reducing future payment of New Homes Bonus is awaited, but is thought likely to increase the financial pressures on the General Fund budget from 2017/18.
- 2.3 The savings required to enable the Council to balance its budget without significant use of its finite reserves remains substantial. The likely level of savings will be known once a range of other costs and the changes to the New Homes Bonus (NHB) are known. Officers will be running the financial model again over the summer (2016) when some of the unknowns, such as – hopefully - NHB and the financial effects of our major contracts, become clearer.
- 2.4 The Department for Communities and Local Government (DCLG) has announced an opportunity for Council's to achieve greater certainty from having a four year settlement. The offer from the Secretary of State is that Councils need to submit their efficiency plan to DCLG by no later than 14 October 2016 and that it be an approved and published plan. The guidance advises that efficiency plans do not need to be a separate document and they can be combined with the Council's Medium Term Financial Strategy as long as it meets the conditions set by Government for multi-year settlements.
- 2.5 The DCLG have confirmed that those Councils that choose not to accept the offer, or do not qualify, will remain subject to the existing annual process for determining the Local Government Finance Settlement. DCLG further advised that allocations could be subject to additional reductions dependent on the fiscal climate and the need to make further saving to reduce the national deficit. The current thinking of Government is that it does not expect any further multi-year settlements to be offered over the course of this parliament if a Council chooses not to submit by this autumn's deadline. It is therefore imperative in considering the implementation phase of the Vision 2020 programme that Members ensure that decisions taken reduce the Council's net costs in line with its published Medium Term Financial Strategy.

3. HOW WILL THE COUNCIL CHANGE?

3.1 A series of Member Workshops have been held, both before and after the May 2015 District Council election, to engage Members in discussion about the future of the Council leading up to 2020. The Workshops were held on:

	Date	Number of Councillors attended
1	10 February 2015	32
2	11 June 2015	33
3	8 July 2015	25
4	23 July 2015	27
5	22 October 2015	38
6	8 December 2015	35
7	16 June 2016	33

3.2 At Full Council held on 13 January 2016, Members agreed that the route to being a better Council in the future includes the Council being:

- Easier to deal with
- Getting things right first time
- Doing things as quickly as possible
- Better at understanding what we can and cannot deliver
- Being more aware of our performance, and
- Balancing our budget

3.3 The Council's Priorities are linked to the four 2020 Vision Statements, which has been progressed through Member workshops, as shown overleaf.

3.4 In order to implement the 2020 Vision statements, the Council needs a careful and balanced approach to being more digital, increase our income, reduce our costs, make service improvements, reduce the demand on our services and determine what, if any, services the Council should/should not be involved with. But, the route map going forward must serve us well for the future. This needs the united support of Members and Officers if we are to succeed in providing a better, and more financially stable Council, by 2020.

Offering an improved customer experience

3.5 When assessing how key services are affected by significant reductions in our budget, a major challenge for the Council will be to ensure that key performance indicators are met and that the overall customer experience is improved. To make this happen, we must ensure that we know what the expectations of our customers are. In redesigning our services and looking at alternative ways of delivery, we must not lose sight of our key priorities and the need to deliver quality services.

2020 **VISION** Working together for a better future

The Council Priorities and the Vision



Your services

“Providing the best services



Supporting you

we can afford to help you



Your future

improve your life”

We will continue to deliver our priorities without it costing you more by:

- Offering an improved customer experience
- Building better relationships with other organisations and the community
- Providing more digital opportunities to make dealing with us easier
- Becoming smaller but more effective



- 3.6 By reducing the Council’s overall costs, particularly through support services and by improving contract arrangements, customers will notice how services are maintained at an acceptable level at lower cost to the Council.

Building better relationships with other organisations and the community

- 3.7 Building better and more effective relationships with partners will also become more integral in moving the Council forward. This will require the Council to very carefully reassess the benefits it is obtaining from each partnership and set the resource deployed to the partnership accordingly. One arrangement being assessed is the Joint Area Committees.

Officers believe alternative arrangements will improve opportunities to discuss matters with local partners whilst making a substantial saving.

- 3.8 The Council has actively improved relationships with the three Town Councils over the past year or so and will continue to endeavour to encourage informal discussions through these channels.
- 3.9 With the improvement of our website we will look to increase the use of social media to engage different organisations.
- 3.10 We will remain committed to close working with other organisations such as the Police, Health, Government departments and the voluntary sector. With all these organisations we will continue to explore opportunities for joint working and the sharing of resources such as accommodation. Through a period of change it is very important that we ensure that we maintain our relationships with our partners

Providing more digital opportunities to make dealing with us easier

- 3.11 Although Phase 1 on the 2020 Vision programme is anticipated to save the Council a substantial amount of money, year on year, the overall saving falls considerably short of our up to £4m target set in the 2015-2021 MTFS. Further phases of the programme will also need to contribute further savings. However, to meet the estimated shortfall, a digital transformation of services will also be needed to help move the Council closer to financial sustainability. Improving the culture of the organisation to be more digital will also be essential to meet the expectations of the public. It will also need to help drive down costs within the organisation to help meet our financial target well before 2020. To do this, some one-off investment growth will be required to help transform services and “provide more digital opportunities to make dealing with us easier”. At least one further Phase of the Vision implementation programme will be needed to get the Council nearer to balancing its revenue budget. The next phase will further examine earlier projects which have either not been progressed to date or not been considered at all at this time in order to deliver further reductions in the Council’s net revenue budget.
- 3.12 Arun Times is produced twice a year and delivered to all Arun households. Opportunities are being explored to include advertising income as well as a digital service to make the production as close to cost neutral as possible in the future.
- 3.13 The few changes agreed by Full Council (13 January 2016) will require an acceptance of information technology assisting the Council to move forward. Being more digital will help the Council to improve the customer experience and become smaller and more effective. To achieve further progress on the digital transformation agenda, additional funds will be needed to procure and deliver strategically important projects. This will form the basis of a future report to Members when the detail is known.
- 3.14 A key part of our strategy in the 2020 Vision is to significantly improve our website and to redesign all services to enable them to be delivered digitally. A significant number of services provided by Central Government are now available online e.g. taxing vehicles and the claiming of benefits such as Universal Credit. Customer feedback on these initiatives has largely been positive and the Council will design and implement a large number of our services via our website. Consultation with our customers will commence in the Autumn to seek the views of residents on moving more services to the internet.

3.15 However, whether services are delivered digitally or by more traditional methods, existing customer feedback would tend to suggest that we need to provide the services people want, in the way people want, at the time people want them.

Becoming smaller but more effective

3.16 The Council previously agreed to review other services and, at this stage, the following areas are proposed for further examination.

3.17 The Council employ the staff who deliver and commission the **Arun Wellbeing** programme. With some exceptions, the staff and the whole programme are funded by WSCC, not Arun. The Council fund the management of the programme and the corporate overhead of accommodating the staff in Arun's offices. Opportunities need to be explored to ascertain if a financial saving can be found that would be of benefit to Arun. A range of options, including whether elements of the service could be included within the Leisure Management contract, will be reviewed and a further report brought back to Members later in 2016.

3.18 Review the options to restructure the **Multi-skilled & Tree Gang** teams to generate savings, possibly through a restructure with the potential to generate more income.

3.19 The year on year cost of **Pest Control** shows a downward trend. The team will review current contracts and charging levels to increase income as well as actively seeking new contracts, with the aim of becoming cost neutral

3.20 The **Community Safety Team**, including the **Anti-social Behaviour Team**, consists of 6.4 FTEs, funded by the Council.

The team also consists of:-

A **Community Street Outreach Worker**, fully funded by the Safer Arun Partnership until August 2017

Think Family Neighbourhood Development Worker, fully funded by WSCC until April 2017, and;

4 (FTE) Think Family Keyworkers, fully funded by WSCC until March 2020

A review will be carried out to consider the implications and benefits of the Council focussing its resources only on its minimum statutory responsibilities, support of the Community Safety partnership and addressing anti-social behaviour (ASB) incidents possibly only where the Council is the landowner or is the landlord of either the property where a victim or perpetrator of ASB lives.

3.21 Arun **Lifeline** employs 4.25 FTEs, with a shared Manager employed by Chichester District Council. The service delivers a net annual income of around £100k and, subject to revisions in commissioning by another local authority, has the potential to be increased through a more commercial approach.

3.22 The 2020 Vision programme will also examine all other discretionary services to consider their role in the future, in line with the Council's 2020 Vision statement.

3.23 An update on the overall programme is provided in the report entitled “2020 Vision Programme (including Shared Services)“, which should be read in conjunction with this report.

4 PROPOSALS

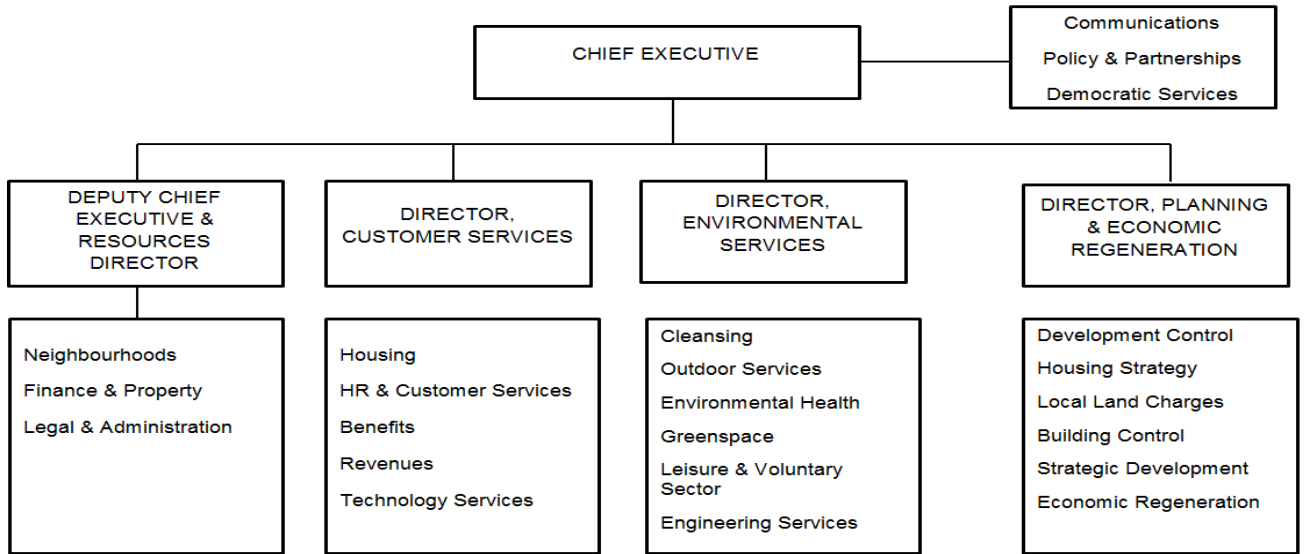
4.1. To assist making savings I am proposing a major restructure of the organisation in order to reduce management costs and “improve the customer experience”, thereby becoming “smaller and more effective”. This phase of the 2020 Vision programme involves an early reduction in the size of the Corporate Management Team to be followed by a reduction in all levels of management. This will help minimise the effect of the required budgetary reductions on services for the direct benefit of the public, whilst achieving significant savings but will reduce Management capacity even further. The current and proposed CMT and service allocation structures are shown in the table below.

4.2 The current employment cost of the members of CMT and any other senior management officers are £0.56M and approximately £1.9m respectively. It is anticipated that the cost of a smaller CMT will (by 2018) save around £0.2M per annum net off the current budget. In line with other work on the various Vision 2020 projects the net cost of the other senior management officers is anticipated to be reduced by at least £0.20M (i.e. circa 10%) It is also anticipated that this group of officers will be affected by other 2020 Vision projects.

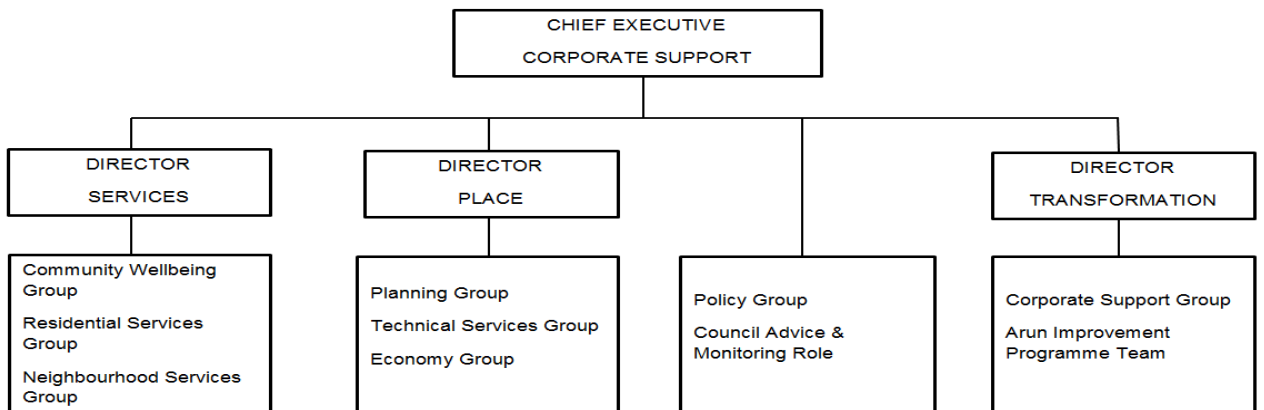
4.3 As part of the design of the appropriate amount of management below CMT, a small amount of the gross savings arising from shrinking CMT may be required to ensure that there is sufficient management in the organisation. The anticipated CMT structure of 3 to be in place by 2018 will be a Chief Executive and 2 Directors and is likely to include other relevant senior statutory support.

4.4 However, in order to achieve this in the timeframe (i.e. before April 2017), additional job evaluation and selection consultancy resources of up to £50k will be required to assist the Chief Executive with the process. Furthermore, Members need to understand and appreciate that the organisation will have less senior staff to help with their ad hoc enquiries and will not be able to deliver everything that we do today. The digital opportunities (paragraphs 3.11 – 3.15 of the report) must therefore be developed (through additional one-off resources) to ensure delivery of more effective services in 2020.

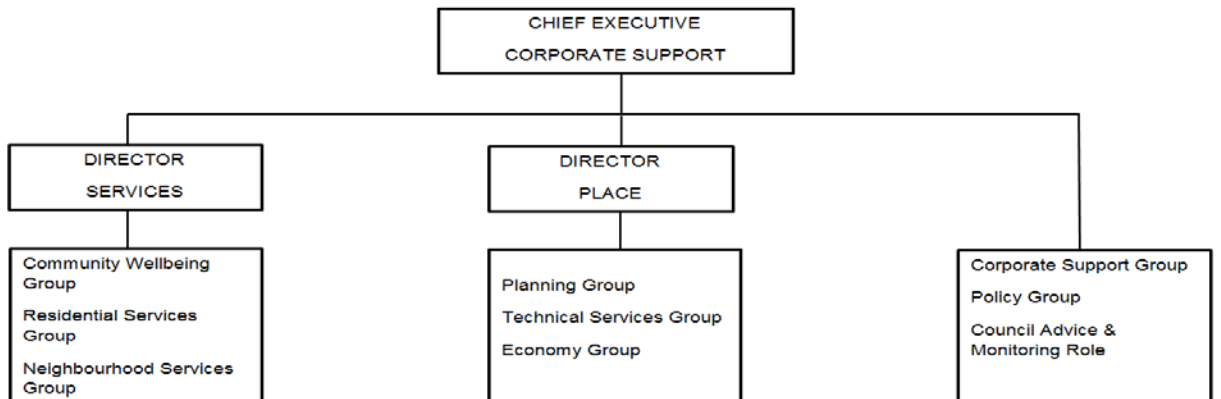
**CURRENT
CORPORATE MANAGEMENT TEAM**



**DRAFT PROPOSED
CORPORATE MANAGEMENT TEAM
BY NO LATER THAN APRIL 2017**



**DRAFT PROPOSED
CORPORATE MANAGEMENT TEAM
2018**



- 4.5 As noted above, the CMT structure (2018) will save the Council approximately £0.2M pa. To enable this to happen, redundancy costs in the region of £200k are associated with deleting 2 posts on CMT. Any redundancy arrangement would need to meet the current Council policy of covering the full redundancy and associated costs within 3 years and the payback period is currently estimated to be around 1-1.5 years.
- 4.6 As noted above it is anticipated that there will be further managerial redundancies during 2017 at manager and Head of Service grade as the restructure plans are developed. Further reports to Cabinet and Full Council will identify the extent of these and the longer term savings for the Council but I envisage net savings to be around the figure shown in 4.2.
- 4.7 Consultation on the CMT structure and allocation of services has taken place with CMT (11-25 May 2016), and UNISON (31 May – 17 June 2016) and comments requested from Senior Management Team (SMT) (7 June – 1 July 2016).
- 4.8 The UNISON response to the proposed structure will be reported separately.

5. RESOURCES

- 5.1 Members agreed (13 January 2016) an initial sum of £120,000 to develop the 2020 Vision programme. The spend, to date, is £34,300.
- 5.2 All Council Members need to understand and fully appreciate that a 'smaller and more effective' Council should be supported by the public in general. However, there will be less staff, less money available and, therefore, less capacity and ability to do all the things that Councillors might want and have received in the past.
- 5.3 The Council must change and accept the financial position it is in. As a direct result of this, Councillors will not have the same resources in the future. This will make future decisions more difficult.

6. PROPOSAL(S):

It is recommended Cabinet recommend to Full Council (20 July 2016) that:

- 6.1 Full Council agrees the 2020 Vision for the Council, as outlined in this report, and understands the serious implications arising which will require detailed consideration by Members and Officers
- 6.2 Full Council support the general revised structure principles, outlined in this report, and give authority to the Chief Executive – in liaison with the Leader of the Council - to progress and implement the proposed revised outline structure.
- 6.3 A sum of up to £50k is agreed to assist and support with the Council's proposed management restructure. Full Council supported (on 13 January 2016) an estimated sum of £120,000 being included in the proposed 2016/17 revenue budget to enable the highlighted projects to progress. The funds required to obtain external support for this management restructure to be funded from within the approved current budget.
- 6.4 Full Council approve a supplementary estimate of up to £100k In 2016/17 (this equates to an amount of £1.73 on a Band D Council Tax) to implement the initial CMT restructure proposals and consequential redundancy costs of one Director and build into the 2017/18

budget a further sum to fund the restructure costs and any consequential redundancy costs of a second Director to conclude the Corporate Management Team restructure.

- 6.5 By January 2017, the new senior management structure to be assessed and consulted upon and any redundancy of other consequential costs be built into the 2017/18 budget report to be considered by Full Council in February 2017.
- 6.6 Full Council to note the full one-off costs as set out in paragraph 4.5 in respect of the two approved redundancies which will provide a total pay-back period of approximately 1 -1.5 years.
- 6.7 Full Council note there will remain an anticipated financial shortfall following Phases 1 & 2 of the 2020 Vision programme. A further report on later proposals (including digital issues) will be presented to Cabinet and Full Council in due course. Additional funds may be required to progress future phases.
- 6.8 That Full Council use the approved recommendations in this report and the 2016 updated Medium Term Financial Strategy as the basis of this Council's Efficiency Plan submission to Government by 14 October 2016.

7. OPTIONS:

1. To support the recommendations
2. To propose an alternative direction for the Council Vision 2020 (see implications at paragraph 10.1)

8. CONSULTATION:

- 8.1 An earlier report than this was presented to Overview Select Committee (OSC) on 7 June (listed as Background papers to this report). It is acknowledged that the report was incomplete in relation to information that was unavailable at the time, concerning shared services and the proposed CMT structure. The Chief Executive responded to questions raised by the Committee and slight amendments to the report were agreed. The revised recommendations from OSC to Cabinet (only) are shown below:-

Recommendation 1:

Change wording from "Full Council agree the 2020 Vision for the Council, as outlined in paragraph 2.5 of this report, and accept the implications arising from this agreement, as outlined in this report." to:-

"Cabinet agrees the 2020 vision for the Council, as outlined in paragraph 2.5 of this report, and understands the serious implications arising, as outlined in the report, which will require detailed consideration by Members and Officers".

(Note: this proposed change in the recommendation is supported by officers and shown as Recommendation 1 to this report)

Recommendation 4:

Change wording from "Full Council support the general revised structure principles, outlined in paragraph 4.1 of this report, and give authority to the Chief Executive - in liaison with the Leader of the Council – to progress to the proposed revised structure." to:-

"Cabinet considers the general revised structure principles, outlined in paragraph 3.1 of this report."

(Note: whilst the proposed change in the recommendation was correct when made, this Cabinet report includes the level of detail that should enable the Cabinet to 'support' the original recommendation. Therefore, this proposed change is not supported by officers at this time)

Recommendation 3

8.2	At their meeting on 11 July 2016, Cabinet changed this recommendation to Full Council from up to £20k for consultants, to up to £50k to ensure that there were enough funds to complete the work required for the restructure.		
8.3	Has consultation been undertaken with:	YES	NO
	Relevant Town/Parish Council		✓
	Relevant District Ward Councillors	✓	
	Other groups/persons (please specify)		✓
	UNISON:- a) The 2020 Vision has been discussed with UNISON at the following meetings:- 24 November 2015 21 January 2016 6 April 2016 25 May 2016 b) A draft of this report was discussed with UNISON on 31 May 2016 c) CMT were formally consulted 11-25 May d) Senior Management Team (SMT) were asked for comments on 7 June 2016) to be submitted by 1 July 2016 e) UNISON comments on the report will be forwarded to Full Council under separate cover	✓	
9.	ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
	Financial	✓	
	Legal	✓	
	Human Rights/Equality Impact Assessment		✓
	Community Safety including Section 17 of Crime & Disorder Act		✓
	Sustainability	✓	
	Asset Management/Property/Land	✓	
	Technology	✓	
	Other (please explain) (UNISON)	✓	
10.	IMPLICATIONS:		
10.1	Should the Council not progress the Council 2020 Vision as proposed, it will be difficult to meet the changing needs of the community, and the financial stability of the Council will be at severe risk. However, reducing the programme in any way will also have an adverse effect on the level of savings required going forward.		
10.2	The Equality Act 2010 legally protects people from discrimination, both in the workplace and in wider society. As a local authority, Arun District Council is further bound by the Public Sector Equality Duty. This means that it has to consider all individuals in their day-to-day work – in shaping policy, in delivering services, and in relation to our own employees. Equality Impact Assessment may well be required for all of the 2020 Vision programme going		

forward. At this high level stage, the effect of the Equality Act has been considered, but no further work is needed at this time.

- 10.3 Consideration of equality issues must influence the decisions reached by public bodies – such as in how they act as employers; how they develop, evaluate and review policy; how they design, deliver and evaluate services; and how they commission and procure from others. Should Council agree the way forward for the various Vision 2020 projects then detailed equality impact assessments will be carried out where required prior to any implementation.

11. REASON FOR THE DECISION:

To enable the Council to agree the 2020 vision for the future to help ensure that the Council becomes more effective and sustainable, to meet the future demands placed upon it but at the same time move as close as possible to a balanced revenue budget with minimal or no use of Council balances to support it.

12. BACKGROUND PAPERS:

Full Council Agenda - 30 April 2014 (item 26 - Local Government Association - Corporate Peer Challenge Review – March 2014)

Full Council Agenda - 18 June 2014 (item 9 - Local Government Association - Corporate Peer Challenge Review – March 2014 – Customer Services)

Full Council Agenda - 5 November 2014 (item 17 – Working Towards a Council Vision for 2015 to 2020)

Cabinet Agenda - 16 November 2015 (item 7 – Financial Prospects 2015/16 to 2020/21)

Full Council – 13 January 2016 (item 29 - 2020 Vision – working together for a better future)

Overview Select Committee – 7 June 2016 (item 32 – The Council's 2020 Vision)

Arun District Council - AIP & Vision 2020 Programme - Portfolio Dashboard

Vision 2020 (PHASE 1)														
ID	Name	Status	Budget	Start Date	End Date	Lead	Budget	Time	Benefits	Notes	Type of Benefits	Benefits Start Date	Benefit Minimum	Benefit Max
V1	Shared Service - ICT	Running		Feb-16	Jul-16	C.Lawrence	Amber	Green	Amber	- Business Case (higher figure Yr 5 onwards)	- Saving	2018	£29,000	£224,000
V2	Shared Service - Legal	Running		Feb-16	Jul-16	W.Ashenden-Bax	Amber	Green	Amber	- Business Case	- Saving	July 2017	£0	£30,000
V3.2	Shared Service - Finance	Suspended		Feb-16	Jul-16	A.Peach	RED	RED	RED	- Transactional finance no longer part of shared services	- Saving	N/A	N/A	N/A
V4	Shared Service - HR / Payroll	Running		Feb-16	Jul-16	K.Pearce	Amber	Green	Amber	- Business Case	- Saving	2019/20	£54,433	£115,860
V5	Shared Service - Audit	Running	£0	Feb-16	Jul-16	S.Pearce	Amber	Green	Amber	- Business Case	- Saving	2017/18	£0	£35,000
V6	Shared Service - Revenues & Benefits	Running	£100,000	Nov-15	Jul-16	I.Bell	Green	Green	Amber	- Business Case (higher figure Yr 3 onwards)	- Saving	2019/20	£0	£173,000
V7	Shared Service - Customer Services	Running		Feb-16	Jul-16	J.Follis	Amber	Green	Amber	- Business Case (higher figure Yr 5 onwards)	- Saving	2018	£50,000	£100,000
AIP40	Shared Service - Building Control	Running	£8,000	Apr-16	Oct-16	J.Henn	Amber	Green	Amber	- Business Case	- Saving & income		£5,000	£15,000
V8	Planning Services	Running	£15,000	Mar-16	TBA	K.Roberts	Green	RED	Amber	- Business Case - Cabinet Working Group is late July - Timetable dependent on corporate restructure	- Saving		£130,000	£130,000
V9	Fewer Public Toilets	Running		Apr-16	Apr-19	G.Rollings	Green	Green	Amber	- ESC&CDWG June 2016 / Cabinet 25th July	- Saving	2017/18	£50,000	£150,000
V10	Car Parks Charges	Complete		Feb-16	Apr-16	C.Baylis	Green	Green	Amber	- Fees go up 22 April 2016	- Income (included in base budget already)	April 2016 **	£100,000	£150,000
V11	Cemeteries Fees	Running		Apr-17	Apr-19	O.Handson	Green	Green	Green	- ICM Required, draft after FC approval of Vision 2020 Summer 2016	- 5% increase for 2017/18 & 2019 = £40,000 income	April 2017	£40,000	£40,000
V12	Cleansing Contract Renewal	Running		Apr-16	Nov-16	G.Rollings	Green	Green	Amber	- Cabinet October 2016	- Saving	February 2017	£25,000	£200,000
V13	Reducing Consultation	Complete		Apr-16		P.Askew	Green	Green	Green	- Abolished Wavelength Panel	- Saving	April 2016	£10,000	£10,000
V14	Local Housing Company	Running	£23,300	Feb-16	Dec-16	A.Elder	Green	Amber	Amber	- Business Case and Business Plan to be produced	- Income capital and revenue	2018/19	£0	£500,000
V15	London Road Student Accommodation	Running	£15,000	Aug-15	Apr-19	A.Peach	Green	Green	Green	- Business Case	- Income	2017/18	£40,000	£40,000
V16	Commercial Review BRTH	Scheduled	£75,000	May-16	Dec-16	A.Peach	Green	Green	Amber	- Business Case	- Saving and income		£87,000	£160,000
V17	Commercial Review Council Assets	Running		Jan-16	N/A	A.Peach	Green	Green	Green	- Business Case	- Income	on-going		
V18	Council Tax Reductions Scheme	Running	£10,000	Oct-15	Apr-17	S.Priest	Green	Green	Amber	- CTRS Working Group 25 May 2016 - recommendations to OSC on 7th June	- Saving	April 2017	£75,000	£100,000
V19	Review Day Care Activities for Elderly	Running		Jan-15	Dec-16	R.Wickham	Green	Green	Amber	- Business Case / Awaiting WSCC funding	- Savings	April 2017	£15,000	£70,000
V20	Review of Joint Area Committees	Running		Feb-16	Mar-17	P.Askew	Green	Green	Green	- FC report Sept 2016	- £82,500 saving	April 2017	£80,000	£82,500
V21	Officer Allowance	Running		Feb-16	Apr-17	P.Warters	Green	Amber	Amber	- Changes in April 2017	- Saving	2017/18	£70,000	£70,000
V29	Review Greenspace Management Contract	Running		Apr-16	Jan-17	O.Handson	Green	Green	Amber	- Cabinet decision Jun 2016 - Benefits delivered Jan 2017	- Saving (+ £105,000 HRA saving)	January 2017	£80,000	£150,000
V35	Accommodation Review	Scheduled		May-16	Aug-16	P.Warters	Green	Amber	Amber	- Accommodation Strategy	- Income and support other changes			
Vision 2020 (PHASE 2)														
ID	Name	Status	Budget	Start Date	End Date	Lead	Budget	Time	Benefits	Notes	Type of Benefits	Benefits Start Date	Benefit Minimum	Benefit Max
V23	Review of Cabinet / Committee Structure	Running	N/A	Apr-16	Jul-16	N.Lynn	Green	RED	RED	- Full Council March & 20th July 2016	- Savings	N/A	N/A	N/A
V24	Review of grants to Voluntary Sector	Scheduled	N/A	Jun-16	Nov-16	R.Wickham	Green	Green	Amber		- Saving	April 2017	£2,500	£3,500
V25	Review of Council involvement in anti-social behaviour	Running		Mar-16	Sep-16	R.Wood	Green	Amber	Green	- Requires CMT/member decision on scope of services needed from April 2017	- Saving	April 2017	£12,500	£12,500
V26	Fewer charitable events for Chairman	Running		Jan-16	Sep-16	P.Askew	Green	Green	Amber		- Saving	April 2017	£5,000	£10,000
V27	Review of Wellbeing involvement	Running		Jan-16	Dec-16	R.Wood	Green	Amber	RED	- Requires CMT/member decision on organisation structure and scope of services needed from April 2017	- Saving		£0	£80,000
V28	Review of delegation to Committees and officers	Running		Apr-16	Jul-16	N.Lynn	Amber	RED	Amber	- Cabinet March & June 2016	- Savings	March 2017		
AIP38	Review of Estate Management	Running	£60,000	Nov-15	Dec-16	A.Peach	Green	Amber	Amber		- Saving	2017/18	£20,000	£25,000
V30	Increase income from out of hours printing	Running		Mar-16	Mar-17	J.Northeast	Green	Green	Amber	- Assessment of high speed copier underway	- Income	December 2016	£500	£5,000
V31.1a	Management Structure (CMT) 5 > 4	Running		Mar-16	Jul-16	N.Lynn	Green	Green	Green	- Member workshop 16/06/2016 - Cabinet 27/06/2016	- Savings	September 2017	£100,000	£100,000
V31.1b	Management Structure (CMT) 4 > 3	Running		Mar-16	Jul-16	N.Lynn	Green	Green	Green	- Member workshop 16/06/2016 - Cabinet 27/06/2016	- Savings	December 2018	£100,000	£100,000
V31.2	Management Structure (Managers)	Running		Mar-16	Jul-16	N.Lynn	Green	Green	Amber	- Member workshop 16/06/2016 - Cabinet 27/06/2016	- Savings			
V32	Events Management	Running	N/A	Jan-16	Dec-16	J.Russell-Wells	Green	Green	Amber	- Further review to verify saving / income as part of project	- Saving / income	April 2017	£5,000	£25,000

V33	Review all discretionary and statutory services	Hold				N.Lynn	RED	RED	RED		- Savings			
V34	Review of administration	Scheduled		Aug-15	TBA	N.Croad	Green	Amber	Amber	- Requires CMT decision on scope of services needed from April 2017	- Savings	2017/18	£15,000	£22,000
Arun Improvement Programme (AIP)														
ID	Name	Status	Budget	Start Date	End Date	Lead	Budget	Time	Benefits	Notes	Type of Benefits	Benefits Start Date	Benefit Minimum	Benefit Max
AIP26	Housing IHMS Replacement	Running	£747,000	Apr-14	Dec-16	B.Pople	Green	Green	Green		- Mandatory replacement	N/A	£0	£0
AIP27.1	Cemeteries - Transcribing / Data	Running	£30,000	Sep-15	Jun-16	J.Lawrence	Green	Green	Green	- Dependent on Ancestry	- Risk reduction & sustainability	N/A	£0	£0
AIP33.3	Web Replacement - Town/Parish	Hold	TBA	Jul-16	Oct-16	R.Webb	RED	RED	RED		- support model for town & parish councils	Apr-17	£0	£2,500
AIP33.4	Website CMS Replacement	Hold	£67,000	Apr-16	Oct-16	R.Webb	RED	RED	RED			N/A	£0	£0
AIP 34	Finance Replacement System	Running	£300,000	Aug-15	Oct-16	P.Symes	Green	Green	Amber		- Risk reduction & sustainability - licence resource saving £40,000 - £60,000 pa	2017/18	£40,000	£60,000
ICT	Replacement Telephony	Running	£125,000	Nov-14	Jul-16	D.Friesen	Green	Green	Green	- Now Switch only	- mandatory upgrade - system - will support other Customer Service Strategy Projects	N/A	£0	£0
AIP35	Tree Database / Mobile Surveys	Complete	£10,000	Nov-14	Jun-16	J.Lawrence	Green	Green	Green		- Risk avoidance	N/A	£0	£0
AIP36	Replacement EH Systems (procurement)	Running	£170,000	Sep-15	Apr-17	N.Slade	Green	Amber	Amber		- Risk reduction & sustainability	June 2018	£20,000	£45,000
AIP39	Replacement Elections System	Complete	£38,650	Dec-15	Mar-16	L.Fletcher	Green	Green	Green		- Risk reduction / possible efficiencies	N/A	£0	£0
AIP29	Customer Service Programme	Running	£75,000	Nov-13	Dec-17	J.Follis	Green	Green	Amber	- Various sub projects	- various customer service improvements	2017/18	£0	£28,000
AIP39	Replace Planning System	Hold	TBA	Apr-16	TBA	P.Symes	RED	RED	Red		- EU procurement rules			
AIP43	Replace R&B System	Hold	TBA	Apr-16	TBA	I.Bell	RED	RED	Red		- EU procurement rules			
AIP42	Replace Corporate EDRMS/DMS	Hold	TBA	Apr-16	TBA	P.Symes	RED	RED	Red		- EU procurement rules			
												Gross Total	£1,260,933	£3,063,860

Appendix B - Councils involved in shared services

