



Public Document Pack

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14 March 2023

COUNCIL MEETING

To all Members of the Council

You are summoned to attend a meeting of the ARUN DISTRICT COUNCIL to be held on **Wednesday 15 March 2023 at 6.00 pm** in the **Council Chamber, at the Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** to transact the business set out below:

James Hassett
Chief Executive

PLEASE NOTE: Where public meetings are being held at the Arun Civic Centre, to best manage safe space available, members of the public are encouraged to watch the meeting online via the Council's Committee pages.

1. Where a member of the public wishes to attend the meeting or has registered a request to take part in Public Question Time, they will be invited to submit the question in advance of the meeting to be read out by an Officer, but of course can attend the meeting in person.
2. We request members of the public do not attend any face to face meeting if they have Covid-19 symptoms.

Any members of the public wishing to address the Committee meeting during Public Question Time, will need to email Committees@arun.gov.uk by 5.15 pm on **Tuesday, 7 March 2023** in line with current Council Meeting Procedure Rules.

For further information on the items to be discussed, please contact Committees@arun.gov.uk

AGENDA - SUPPLEMENT

6. MINUTES (Pages 1 - 28)

To approve as a correct record the Minutes of the Special Meetings of the Council held on 1 and 9 March 2023.

These minutes are now attached.

15. STANDARDS COMMITTEE - 23 FEBRUARY 2023 (Pages 29 - 34)

The Chair of the Standards Committee, Councillor English, will present recommendations from the meeting of the Standards Committee held on 23 February 2023.

The recommendations for Council to consider will be circulated with the minutes which will be attached separately to this agenda, they relate to:

- Review of the Local Assessment Procedure and Assessment Panel Procedure
- Review of Social Media Guidance

- The minutes from 23 February 2023 are now attached.

16. AUDIT & GOVERNANCE COMMITTEE - 28 FEBRUARY 2023 (Pages 35 - 46)

The Chair of the Audit & Governance Committee, Councillor Clayden, will present recommendations from the meeting of the Audit & Governance Committee held on 28 February 2023.

The recommendations for Council to consider will be circulated with the minutes which will be attached separately to this agenda, but relate to:

- Treasury Management – Strategy Statement and Annual Investment Strategy

The Minutes from 28 February 2023 are now attached.

17. POLICY & FINANCE COMMITTEE - 7 MARCH 2023 (Pages 47 - 54)

The Chair of the Policy & Finance Committee, Councillor Gunner, will present recommendations from the meeting of the Policy & Finance Committee held on 7 March 2023.

The recommendations for Council to consider will be circulated with the minutes which will be attached separately to this agenda but relate to:

- Capital Strategy 2023-24 to 2026/27

The minutes from 7 March are now attached.

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Note : If Members have any detailed questions, they are reminded that they need to inform the Chair and relevant Director in advance of the meeting.

Note : Filming, Photography and Recording at Council Meetings – The District Council supports the principles of openness and transparency in its decision making and permits filming, recording and the taking of photographs at its meetings that are open to the public. This meeting may therefore be recorded, filmed or broadcast by video or audio, by third parties. Arrangements for these activities should operate in accordance with guidelines agreed by the Council and as available via the following link [PART 8 - CP - Section 5 Filming Photographic Protocol.pdf \(arun.gov.uk\)](#).

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**MINUTES
OF A
SPECIAL MEETING OF THE ARUN DISTRICT COUNCIL
HELD IN THE ARUN CIVIC CENTRE
ON 1 MARCH 2023 AT 6.00 PM**

Present: Councillors Mrs Cooper (Vice-Chair, in the Chair), Bennett, Bicknell, Blanchard-Cooper, Bower, Brooks, Buckland, Caffyn, Chapman, Chace, Clayden, Cooper, Coster, Daniells, Dendle, Dixon, Elkins, Mrs English, English, Goodheart, Gregory, Gunner, Hamilton, Haywood, Hughes, Huntley, Jones, Kelly, Lury, Madeley, Needs, McAuliffe, Northeast, Oliver-Redgate, Pendleton, Purchase, Rhodes, Roberts, Seex, Stanley, Tilbrook, Thurston, Wallsgrove, Dr Walsh, Warr, Worne and Yeates.

The following Members were absent from the meeting during consideration of the matters referred to in the Minutes indicated:-
Councillor Jones - Minute 733 to Minute 736 (Part) and Councillor Purchase - Minute 733 to 741 (Part).

733. WELCOME

The Chair welcomed Councillors, representatives of the public, press and officers to the meeting.

A special welcome was extended to Antony Baden, the Council's new Group Head of Finance and Section 151 Officer, who had commenced his employment with the Council on 20 February 2023.

734. APOLOGIES FOR ABSENCE

Apologies for Absence had been received from Councillors Batley, Edwards, Oppler, Smith, Stainton and Staniforth and from Honorary Aldermen, Mrs Stinchcombe and Mr Dingemans.

735. DECLARATIONS OF INTEREST

The Declaration of Interest Sheet set out below confirms those Members who had made a declaration of their personal interest as a Member of a Town or Parish Councillor or a West Sussex County Councillor, as confirmed in their Register of Interest as these declarations could apply to any of the issues to be discussed at the meeting.

The Chair reminded Councillors of the restrictions on voting outlined in Section 106 of the Local Government Finance Act 1992 as this confirmed that where a Member had at least two months arrears of Council Tax they must not vote on any other matter relating directly to the setting of the next year's Council Tax, though they could remain in the meeting and could speak.

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Name	Town or Parish Council or West Sussex County Council [WSCC]
Councillor Tracy Baker	Littlehampton
Councillor Kenton Batley	Bognor Regis
Councillor Jamie Bennett	Rustington
Councillor Paul Bicknell	Angmering
Councillor Billy Blanchard-Cooper	Littlehampton
Councillor Jim Brooks	Bognor Regis
Councillor Ian Buckland	Littlehampton and WSCC
Councillor David Chace	Littlehampton
Councillor Mike Clayden	Rustington
Councillor Andy Cooper	Rustington
Councillor Alison Cooper	Rustington and WSCC
Councillor Sandra Daniells	Bognor Regis
Councillor Roger Elkins	Ferring and WSCC
Councillor Paul English	Felpham
Councillor Steve Goodheart	Bognor Regis
Councillor Pauline Gregory	Rustington
Councillor June Hamilton	Pagham
Councillor Shirley Haywood	Middleton-on-Sea
Councillor David Huntley	Pagham
Councillor Henry Jones	Bognor Regis
Councillor Martin Lury	Bersted
Councillor Stephen McAuliffe	Walberton
Councillor Claire Needs	Bognor Regis
Councillor Mike Northeast	Littlehampton
Councillor Francis Oppler	WSCC
Councillor Jacky Pendleton	Middleton-on-Sea and WSCC
Councillor Vicky Rhodes	Littlehampton
Councillor Emily Seex	Littlehampton
Councillor Martin Smith	Aldwick
Councillor Samantha Staniforth	Bognor Regis
Councillor Matt Stanley	Bognor Regis
Councillor Will Tilbrook	Littlehampton
Councillor Isabel Thurston	Barnham & Eastergate
Councillor James Walsh	Littlehampton and WSCC
Councillor Sue Wallsgrove	Barnham
Councillor Jeanette Warr	Bognor Regis
Councillor Amanda Worne	Yapton
Councillor Gillian Yeates	Bersted

There were no Declarations of Interest made.

736. PUBLIC QUESTION TIME

The Chair confirmed that one public question had been submitted for the meeting. This question has been very briefly summarised below:

- (1) From Mr Hamilton to the Chair of the Planning Committee, Councillor Chapman regarding planning application P/188/22/DOC, and Condition 30.

The Chair in drawing Public Question to a close confirmed that a schedule of the full questions asked, and the responses provided would be uploaded to the Full Council Public Question Time Web page within ten working days of the meeting.

737. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

No questions were asked.

738. MINUTES

The Minutes of the Council Meeting held on 18 January 2023 were approved by the Council as a correct record and would be signed by the Chair at the end of the meeting.

739. CHAIR'S ANNOUNCEMENTS

The Chair confirmed that there were no announcements to be made.

740. URGENT MATTERS

The Chair confirmed that there were no urgent items for this meeting to consider.

741. ARUN DISTRICT COUNCIL BUDGET 2023-2024

The Chair confirmed that this Special Council Meeting had been called to consider the Budget for 2023/2024 and to set the Council Tax for Arun District Council. Councillors were referred to eleven recommendations set out within the agenda papers for them to consider as well as the minutes from the meeting of the Policy & Finance Committee held on 9 February 2023. These minutes had been circulated to Members and published to the Council's web pages on 24 February 2023 along with a revised Item 8 Appendix 2 being the correct version of that Appendix relating to the Housing Revenue Account (HRA). The Chair also confirmed that at Appendix 4 [The Statutory Resolutions] on page 38 of the agenda pack, in relation to Yapton Parish Council, the figure provided should read 86,050 and not 56,050. It was confirmed that this typing error did not affect any of the other figures contained within the Appendix which were otherwise correct.

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Before inviting the Leader of the Council, Councillor Gunner, to present his Budget Statement, the Chair reminded Councillors of the procedure for this meeting as confirmed in the Constitution at Council Procedure Rule 4.3 and as set out in the covering agenda for the meeting.

Councillor Gunner presented his Budget Statement confirming that he wished to start by thanking the Officer team, especially the Council's previous Interim Group Head of Finance and Section 151 Officer, Carolin Martlew. Working through a Zero Based Budget (ZBB) exercise with high inflation whilst producing a budget and revisiting the Housing Revenue Account (HRA) Business Plan had been an immense amount of work. In recognition of this, thanks were also extended to the rest of the Finance Team for all they had done and for their hard work in preparing the budget. Thanks, was also extended to Tony Baden, the Council's new Group Head of Finance and Section 151 Officer for his support since commencing his employment with the Council.

Reference was made to the vigorous process that had been applied in consulting on the Budget through the committee system. Councillor Gunner confirmed his gratitude to the Council's Chief Executive for organising a briefing for Members on the financial outlook for the Council back in December 2022 as this had ensured that Members were very clear about the overall picture that the Council was in and in preparing to consider and agree its Budget. Councillor Gunner confirmed his gratitude to his fellow Group Leaders for accepting his offer to meet to talk through their thinking on the budget and although they had not asked for the Council Tax to be changed or the position on reserves to be altered, they had made some suggestions which had been either in the budget or spoken about and passed to Officers as suggestions. The Budget having been passed through thirteen Committee meetings had received more scrutiny than ever before but had not resulted in any Councillor voting against it to date or confirming that they wished to table any amendment to it.

Councillor Gunner said it was clear that there were some Councillors that were concerned about Council Tax, however, the 2.99% rise represented only a slight increase and was less than the 6% rise in earnings and the 10% rise in pensions. It was also significantly lower than the current rate of inflation at 10-11%. It was highlighted that should any increase in Council Tax be removed tonight, due to the compound effect, this would necessitate millions of pounds in cuts in future years. A Council Tax rise could be reversed by a following administration, but a Council Tax freeze could not be reversed by reinstating a rise and so would bind the hands of any future administration. Last year the Council had passed its Vision for the next few years which had been separated out into four themes, being improving the wellbeing of Arun; delivering the right homes in the right places; fulfilling economic potential; and supporting the environment to support us. Councillor Gunner therefore referred to the work of the Council in relation to those four themes. Firstly, in relation to wellbeing, the Council had provided support for Freedom Leisure to support the Council's leisure centres; had worked to refurbish the changing rooms at the Arun Leisure Centre, illustrating the Council's investment in leisure and in Bognor Regis. In Littlehampton, work had progressed on the development of the new Keystone Youth Centre that the

Council was working in partnership with, with Littlehampton Town Council. There was an agreed cost of living support programme in place with work in community hubs at Chilgrove House and Bersted Green Court continuing as were the community wardens demonstrating the Council's commitment to improving the lives of people in the district's communities. Last year the Council had put aside some funding for the Windmill Theatre roof and this year the Council was commencing work on the Alexandra Theatre. Also, in Angmering work was underway to develop designs for a new sports hub which would serve that community and beyond. Turning to housing, a modest sum had been placed into the Budget to allow the preparatory work to proceed in preparing for a review of the local plan. Turning to the HRA, money had been allocated in the budget for sheltered housing accommodation with the repairs and maintenance budget having been increased to ensure the continued welfare of tenants.

Looking at the local economy, it was highlighted that should the Budget be approved, then this would save the Arundel Festival following an amendment made at the Policy & Finance Committee on 9 February 2023 securing the future of the Arundel Festival and ultimately the future of this historic town. In addition to this there was money for events such as the Christmas Lights in Hotham Park and the Ice Rink which had been hugely popular as well as the availability of small grants across the district for Parishes to apply for new events. A new Whitbread hotel would sit alongside the Alexandra Theatre in Bognor Regis and the Council's partnership working with West Sussex County Council (WSCC) through the business rates pool meant that support was being given to businesses and through the new Arun Growth Deal resulting in the Council being able to extend the high street paving in Littlehampton. With WSCC residents would see improvements made to the A259 in addition to completing sections of the Lyminster Bypass. Further joint working would include the pedestrianisation of Pier Road, Littlehampton and the transformation of The Esplanade in Bognor Regis.

Turning to the environment, residents could enjoy open spaces for free and the Council's commitment to climate change continued with the Council working hard to reduce its carbon emissions. This was in addition to the 35,000 trees that the council would be planting as part of the Queen's Green Canopy. The Community Flood Fund had been topped up to provide continued support to the communities of Clymping, Pagham and Middleton-on-Sea. There had been investment for the Bersted Brooks Country Park and the Council's parks had obtained prestigious green flag awards. Further in land there had been investment in new play areas and work on the Sunken Gardens, in Bognor Regis continued. One of the biggest transformations to take place would be the numerous schemes in place for the Littlehampton Seafront Projects made possible by the receipt of the Levelling-Up Fund grant award.

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In conclusion and in formally proposing the budget recommendations, Councillor Gunner confirmed that this was a positive and forward looking budget for the future which would enable any new administration flexibility to make its own decisions following the May 2023 Elections.

The recommendations were then seconded by Councillor Pendleton.

In line with the procedure for debates at Special Meetings, the Chair confirmed that she would now invite questions from Members to Officers. No questions were asked.

The Chair then invited Councillor Walsh to respond to the Budget as the Leader of the Opposition and Leader of the Liberal Democrat Group.

Councillor Walsh responded by firstly extending his thanks to the former Interim Group Head of Finance and Section 151 Officer and her team for their work on the budget. He then responded to some of the projects that had been mentioned by Councillor Gunner as some of these had been initiated by the then Liberal Democrat administration, these included the Place St Maur and the Sunken Gardens at Bognor Regis; Littlehampton Public Realm works and the major new projects commencing because of the Levelling-Up Fund grant award. The history around the development of these as part of the LUF application process was explained. The Liberal Democrat Group had wanted to commence a review of the local plan with a view to reducing housebuilding and the Government imposed targets in the district, partly due to the massive loss of grade 1 agricultural land but also due to inadequate sewage systems. Councillor Walsh confirmed that he wished to push this further by seeing a moratorium on new systems until capacity was properly and fully provided by Southern Water Services. His Group had also wanted to proceed with the ever successful food waste trial rolling this out across the entire district, but this had been opposed by the current administration. Councillor Walsh confirmed his opposition to doubling car parking charges which he felt would be to the detriment of the district's town centres and seemed to be an extraordinary step to take at a time of financial difficulty for struggling residents and businesses.

Councillor Walsh stated that this was an unbalanced deficit budget with an overspend of £5m dealt with by raiding the reserves to an amount of £5m. There were also unspecified savings or cuts of £2m which would be looked for in the coming year with no guarantee of success and representing a very large risk to the authority's future finances. In addition, there was £9.3m of extra borrowing to fund the capital programme. Turning to the HRA, the large debt situation should not have occurred and was partly due to the continued use of agency staff and huge repair costs. Of concern were the 5% and 7% increases in rents timed to hit residents in the middle of a crippling cost of living crisis. It was highlighted that both of the Liberal Democrat and Independent budgets, with Green support, had been balanced, had taken no money

from reserves and had initiated projects of lasting value. In contrast this budget was a deficit budget of £5m financed by raiding the Council's reserves with no current specific plan identified to replace those reserves coupled with a maximum allowable 3% increase in Council Tax. In finalising his response, Councillor Walsh urged all Councillors to vote against approving the budget and to work towards achieving an improved budget ahead of next week.

The Chair then invited Councillor Dixon to respond to the Budget on behalf of the Independent Group. Councillor Dixon stated that the budget was seen as a 'stay as we are' budget and failed to address some of the difficult decisions that needed to be taken. It drew substantial amounts from reserves with the forecast illustrating that in future years the situation would worsen. Future funding for Councils remained uncertain and with the current Government residents had seen the highest inflation and highest taxation levels in many years with the public paying more yet being provided with a reduction in public services. Councillor Dixon stated that the Council should not keep running down reserves and selling off capital assets, it needed to find additional ways of funding public services and needed to become more self-financing. New commercial activities would help the Council become more self-financing and examples where much needed income could be achieved were highlighted. The budget contained a transformation budget without any detailed proposals. The best that could be done at this late stage was to create the necessary budget in the hope that the next council would address these issues. Councillor Dixon referred to the fact that the Council had already been significantly downsized and that if there was no commitment from national to local government, further downsizing would be required. This budget contained arguably the worst financial deal in the history of the Council, and he referred to the deal in place with Whitbread at the Regis Centre site as well as other projects and questioned what the Council had done to regenerate its towns. He questioned the justification of some projects such as the investment into the Bersted Brooks Country Park and whether the unspent monies should be returned to reserves. Car parking charges were being increased on a disproportionate and extortionate scale with these charges being a risk to the budget. Looking at the review of the local plan and to start the process of taking back control of planning in the district, it was highlighted that some of the proposals to improve would not apply in Arun as the Council would not have an up-to-date plan. The Littlehampton Wave continued to be a significant drain on resources. Also, the Council was being asked to subsidise Freedom Leisure's energy costs at a sum of £580k whilst wholesale energy prices were falling substantially. Councillor Dixon finished by confirming that his Group could not support this budget.

The Chair invited Councillor Goodheart to respond to the Budget on behalf of the Arun Independent Group. He thanked staff for their hard work in putting the budget together at a time of significant inflation which had put pressure onto the cost of services. This careful forward planning and monitoring was essential if the Council was to maintain adequate reserves and to not fall behind the recommended HRA balance of £2m which was a concern along with £4m budget deficit. Councillor Goodheart confirmed that his Group had confidence that the Council had made adequate provision to meet the challenges ahead building up a healthy reserve enabling the Council to have

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sufficient funds to draw down £4.9m resulting in a balanced budget for 2023/24 without incurring significant risk. The shortfall and unknown outlook for the New Homes Bonus, which the Council had benefitted from since its introduction, had left a dent in its finances, however, Councillor Goodheart was pleased to learn that the funding resilience reserves would now support gaps in Government funding. Arun had been fiscally prudent enabling it to have funds available for a rainy day and so it was reassuring to know that the Council would be benefiting from an increase in business rate base due to substantial growth in the area resulting in a predicted increase of around £1.5m. This demonstrated that Arun was in a good place to invest and benefit the district in so many ways bringing jobs and opportunities to the area. Councillor Goodheart was pleased to see the Council investing £100k in events and an Event Officer which would help to bring growth and prosperity to the district and would assist businesses by bringing in and encouraging visitors to the district's towns. Councillor Goodheart concluded by confirming that he supported this budget and its proposed modest increase in Council Tax. He felt that the budget represented good value for money and especially in looking at the future financial pressures that were ahead.

The Chair then invited Councillor Thurston to respond on behalf of the Green Group. She extended her thanks to Councillor Gunner and other Leaders for ensuring that Group Leaders had been consulted on all aspects of the budget and she also thanked the Officer team for their hard work in preparing it and in difficult times. Councillor Thurston confirmed, however, that Councillors were left in an embarrassing position having to draw heavily on reserves to balance the Budget and to maintain services. This was a precarious budget with a great deal riding towards the end of the year with the Council's transformation and culture change work. It was unfortunate that some of this unwanted position was down to council decisions made through the year.

Councillor Thurston highlighted the decision to add £3m to the Levelling-Up Fund for Bognor Regis whilst deciding to turn down the chance to save £450k annually on the waste contract meaning that the Council would fall short with its recycling targets. This £450k would have contributed and assisted residents with the cost of living crisis. Councillor Thurston was saddened that the Budget was not a greener budget, despite climate change being a key priority and that there was no effective plan that was working or budget allocated allowing the Council to meet its net zero aims. Councillor Thurston was surprised to see that only £100k of new money had been allocated to climate plan activities. Whilst she was pleased that the Council would be recruiting a new officer from last year's budget, it was alarming to note that the sum allocated was less and not more. It was felt that the money should be used in the community looking outwards perhaps towards the creation of a climate change hub or even provide grants to organisations already achieving great work. There was still a great deal of work to do to bring council owned housing stock up to an acceptable standard. Councillor Thurston confirmed that her Group was not supportive of the proposed 7% increase in rents which was unfair on tenants. She hoped that improvements to the Council's stock would be undertaken with the greatest of urgency. In finalising her response, Councillor Thurston confirmed that she could support some elements of the budget such as the funding in place for the Local Plan review but that as this was not a green focused budget in its current form, she could not support it.

The Chair thanked Group Leaders for their responses and invited debate.

Debate commenced with some Councillors confirming that they could not support the budget. This was because residents were experiencing significant financial hardship and would be looking to their local authority for help and assistance. Instead, the Council was proposing to add further additional costs when many vulnerable residents were struggling with debt. This budget was asking Councillors to add further misery and stress to struggling families with a 7% hike on rents plus a rise in Council Tax and at a time of extreme hardship. This budget would force even more residents below that poverty threshold. Concern was also expressed over the lack of reference to much needed social housing.

In response and from those supporting the budget, it was acknowledged that everyone was living in difficult times but that this required the Council to make difficult decisions. To maintain vital services, these had to be paid for otherwise services would have to be reduced and this would be the case in the event of a Council Tax freeze. To not raise Council Tax would result in a likely cut in services that residents relied upon. The budget proposed to increase revenue for the council and to date no debate against this had been raised in any Committee meetings, nor had any Officers been approached by Councillors to discuss possible amendments. Views were expressed that in view of the serious issues being faced by struggling residents, the Council should dip into its savings during this time.

Another response made related to the HRA and that its position going forward was extremely vulnerable following previous years' healthy balances. It was felt that this lack of financial stability would affect many of the major projects including the purchase of new homes and improvements to the existing housing stock. It was also concerning that the minimum balances set of £2m would be breached and would not recover for a further 7 years; that there was a significant budget gap for 2023/24 with the Council becoming reliant upon match funded Government grants to enable it to carry out essential decarbonisation works. It was highlighted that there could also be further risk factors identified by way of incorrect assumptions; additional spending pressures and reactive repairs. Although there were concerns over the significant overspend on the HRA, it was hoped that the projected gains from rent increases and the efficiency gains together with prudent budget management would be sufficient to carry out the previously planned schemes.

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Councillor Bennett confirmed that he wished to move an amendment to Recommendations d) and e). As the wording of the amendment had been sent to the Committee Services Manager after the meeting had commenced, a short adjournment of 5 minutes was approved to allow the wording of the amendment to be confirmed.

The wording of the amendment has been set out below [with additions shown in **bold** and deletions shown using ~~strikethrough~~:

(d) Arun's Band D Council Tax for 2023/24 is set at **£196.47** ~~£202.34~~, an increase of 2.99% **a freeze** over 2022/23;

(e) Arun's Council Tax Requirement for 2023/24, based on a Band D Council tax of **£196.47** ~~£202.34~~, is set at **£12.605.32m** ~~£12.982m~~, plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements;

Councillor Bennett having proposed his amendment explained that as a district councillor he had a duty to represent the whole of Arun. He confirmed that he had had discussions with the Section 151 Officer and the Chief Executive prior to this meeting. He also referred to Councillor Wallsgrove's amendment approved by the Audit & Governance Committee yesterday, which would be forwarded to Full Council on 15 March 2023 for approval. Councillor Bennett stated that times were tough for many people all over the world which did not exclude the community of this district. The cost of living had increased; bills had increased; with everyone struggling in one way or another. The Council was now in a position, as a result of the amendment passed at the Audit & Governance Committee, to freeze Council Tax if this Council decided to. The amendment passed at the Audit & Governance Committee recommended that the Council withdrew from investments in the Qatar National Bank and the First Abu Dhabi National Bank. This income was in excess of £8m which would be returned to Arun between now and the start of June 2023. Councillor Bennett stated that he did not wish to spend the whole of this investment, but the increase equalled £602k. His proposal was to use the £602k from the £8m and reinvest the £7.39m in new investments and freeze council tax for the new year. Councillor Bennett confirmed that his amendment provided to be a fairly costed and responsible way to enable the Council to freeze Council Tax for the next year which would assist the local community, his primary priority.

The amendment was seconded by Councillor Wallsgrove.

The Chair then invited debate on the amendment.

Various concerns were raised. Firstly, Councillors spoke against the amendment reminding Councillors that tough choices always had to be made. There was also the need to ask the Section 151 Officer what the implications of doing this would be for the Council if it decided to freeze its Council Tax base. Would a new administration be able to raise Council Tax by way of a revised budget post May 2023? Also, what would it mean for the Council to not have that incremental increase in Council Tax year on year and what would the wider implications be from taking money out of investment income?

The Group Head of Finance and Section 151 Officer responded. He confirmed that if the Council Tax was frozen for this year, this could not be retrieved or increased in future years and the money would be lost each year forever. The other implications from taking more money out of reserves were that this would reduce the Council's investment income. He added that it was important for Councillors to think beyond the 2023/24 budget and to think about the longer-term financial impacts on reserves of freezing the Council Tax. He confirmed that the use of reserves to balance a budget was a legitimate use by Councils, but it did have negative knock-on implications.

Further debate took place with a number of Members arguing against the amendment. Examples of Parish Council precept increases were provided by the Leader of the Council who could not understand that Councillors were content to raise Council Tax in their Parishes but not at District level. Another Councillor reminded Members that they had a fiduciary duty to the council taxpayers of the district and this amendment did not serve that purpose well. Reference was again made to the amendment at the Audit & Governance Committee meeting held on 28 February 2023 to withdraw funds from the Abu Dhabi and Qatar banks on account of their human rights record and no other grounds. It had not been a preparatory move to reduce reserves and that had not been discussed yesterday. On this basis, there were Councillors who could not support the amendment.

Councillor Wallsgrove, as seconder to the amendment, requested to speak at this point. She explained the reasoning for the amendment which was to address human rights issues whilst at the same time using this money to support residents and their human rights when struggling with the cost of living and having to rely on food banks. This amendment showed that Councillors were here for their residents.

Further Councillors spoke expressing their concerns over the amendment and the long-term financial impacts this would have for the Council. Some Councillors questioned if this was a legal amendment? What financial penalties would the Council incur from withdrawing these investments?

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Opposing views were that these investments were invested at a very low rate of interest and that the remaining sums could be reinvested at a higher rate of interest and so the concerns expressed over the financial damage to the Council might not be as severe as first thought. A statement was then made by Councillor Clayden, as Chair of the Audit & Governance Committee, regarding the amendment passed at the meeting held yesterday. He confirmed that in agreeing to remove the two banks from the Council's Counter-Party List, the Committee had also agreed to undertake investigations as to the implications of this amendment as it was accepted that the Council had to protect its reserves and services. A report back would be made to the first meeting of the Audit & Governance Committee in the new municipal year.

A question was asked. Would the amendment affect Recommendation f) – the Council's General Fund Balance minimum of £5m as an unknown cost?

Following further points made, Councillor Stanley then proposed a Motion without Notice in line with the Constitution at Rule 16 [Motions without Notice], to move to the vote, which was at Rule 16 j) (that the question be now put). This was seconded by Councillor Gunner. Before putting this to the vote, the Chair confirmed that considering the many questions asked, she confirmed that there were points of clarification that needed to be heard from the Section 151 Officer first.

The Group Head of Finance and Section 151 Officer outlined that he did not know what the penalties of withdrawing investments from the First Abu Dhabi Bank and Qatar National Bank would be. It was his opinion that they were not likely to be material, nor would they have a major impact. The Council legally had to set a balanced budget, and this could be done via reserves. The withdrawal of investments from the First Abu Dhabi Bank and Qatar National Bank would in itself not reduce the level of reserves.

The Monitoring Officer provided some clarification in terms of the constitution and what needed to happen once a motion without notice "that the question be now put" had been proposed and seconded. He confirmed that if in the opinion of the Chair it was felt that the matter had been sufficiently discussed, the Chair would put the procedural motion to the vote without further discussion. If passed, the Chair would give the mover of the amendment, opportunity for a right of reply before putting the matter to the vote. Councillor Bennett had already indicated that he would want to reply.

Councillor Bennett, as the proposer of the amendment, was invited to speak. He responded to some of the questions that had been raised as part of the debate. He confirmed that the Council's financial year commenced on 5 April 23 and that on that day one of the investments would mature. That investment was £4m and was not being terminated early and so there would be no penalty clause applied. After that date there was one investment left which was due to mature in June 2023 in the sum of £1m. Councillor Bennett reminded Councillors that they were present to represent their

community. What needed to be asked was why there was a need to balance the budget each year from reserves, partly due to a reduction in central government funding each year. Councillor Bennett urged Councillors to support what was a fully costed out and balanced amendment to the budget.

In line with Council Procedure Rule 20.6 – the voting on the amendment was recorded.

Those voting for the amendment were Councillors Bennett, Blanchard-Cooper, Brooks, Buckland, Coster, Dixon, Gregory, Haywood, Huntley, Jones, Lury, McAuliffe, Needs, Northeast, Purchase, Seex, Stanley, Thurston, Tilbrook, Wallsgrove, Walsh, Warr, Worne and Yeates (24). Those voting against the amendment were Councillors Bicknell, Bower, Caffyn, Chace, Chapman, Clayden, Cooper, Daniells, Dendle, Elkins, Mrs English, English, Goodheart, Gunner, Hughes, Kelly, Madeley, Oliver-Redgate, Pendleton, Rhodes and Roberts (21). Councillors Mrs Cooper abstained from voting.

The amendment was therefore declared CARRIED.

In response to this, Councillor Bower asked if it could be confirmed what the implications of this carried amendment were and before any further debate took place.

The Chair, having received an indication from Members that they were happy to adjourn the meeting, confirmed a ten minute adjournment so that Officer advice could be sought.

On resumption, the Chair confirmed that she would firstly allow Councillor Gunner to speak as Leader of the Council. He confirmed that with the agreement of his seconder [Councillor Pendleton] he wished to withdraw the recommendations (as amended) for the budget in line with Council Procedure Rule 17.9 [Withdrawal of a Motion] and he proposed to adjourn the meeting.

This was seconded by Councillor Pendleton.

The Chair invited the Group Head of Law & Governance and Monitoring Officer to provide advice. He confirmed that there was provision within the Constitution for a mover of a motion to withdraw that motion with the consent of the seconder with no further debate then taking place. He stated that this left the Council in a position where it had a report on the budget with a set of recommendations, now amended, and the question of what would happen next. He confirmed that at this stage he would need time to discuss with colleagues and take advice as to what should happen next. This could be the need for a further adjournment now or an adjournment to a later date to

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allow the Council to seek advice, with it being critical that the Council could ensure that it would be able to set a balanced budget by 11 March 2023. On the motion to withdraw, he would also attempt to answer that question too.

Questions were asked. Was it within the remits of the Constitution for another Member of the Council to be permitted to move the recommendations (as amended) so that the meeting could proceed either later this evening following an adjournment or on 9 March 2023. The Monitoring Officer responded stating that he could not answer this now and needed to consider if this was a possibility and as there may be other options to consider.

The Chief Executive confirmed that this was an incredibly complex and difficult position that neither he nor any other Officer present had experienced before and since the Constitution had no provision for this situation, he asked for an adjournment to allow Officers time to seek legal advice.

The Monitoring Officer provided further advice confirming that Councillor Gunner had withdrawn his budget recommendations in line with constitution and with the consent of his seconder. A mover of a motion was able to do that any point. Councillor Walsh had responded asking a legitimate question which was whether another Councillor could now move the motion as amended allowing the Council to return to the debate on the substantive recommendations. The Monitoring Officer confirmed that neither he, nor the Chief Executive, or any other colleagues had experienced this situation before. A further adjournment would be necessary to consider what to do next and if needed to take further advice.

A further adjournment of 20 minutes was approved to see if the questions asked could be answered.

The Chair confirmed that she would adjourn the meeting for a period 20 minutes. At this time a Point of Order was raised by Councillor Coster in relation to Council Procedure Rule 17.9 – withdrawal of a motion in that this required the consent of the meeting as well as the seconder.

The meeting then adjourned for a period of 20 minutes.

In returning, the Monitoring Officer provided advice and responded to the questions raised by Councillors Walsh and Coster. The requirements of the Constitution at Rule 17.9 were confirmed in that to withdraw the now amended substantive recommendations, the consent of the meeting would be required as well as that of the seconder.

In view of the position that the Council was now in, the firm advice from Officers was that the meeting be adjourned to 9 March 2023 to allow Officers time to assess the impact of the amendment on the budget and to take legal advice on the way forward. This would be for Members to agree.

Following further discussion, Councillor Cooper proposed and Councillor Gunner seconded that the meeting be adjourned to 9 March 2023 at 6.00 pm.

Following further questions asked, the proposal to adjourn the meeting was put to the vote and it was declared CARRIED.

The Council

RESOLVED

That the meeting be adjourned to 9 March 2023 at 6.00 pm.

(The meeting concluded at 9.16 pm)

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Subject to approval at the next Full Council meeting

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MINUTES OF A SPECIAL MEETING OF THE ARUN DISTRICT COUNCIL HELD IN THE ARUN CIVIC CENTRE ON 9 MARCH 2023 AT 6.00 PM [ADJOURNED FROM 1 MARCH 2023]

Present: Councillors Mrs Cooper (Vice-Chair, in the Chair), Bennett, Bicknell, Blanchard-Cooper, Bower, Brooks, Buckland, Caffyn, Chapman, Chace, Clayden, Cooper, Coster, Daniells, Dendle, Dixon, Elkins, Mrs English, English, Goodheart, Gunner, Hamilton, Haywood, Hughes, Huntley, Jones, Kelly, Lury, Madeley, Needs, McAuliffe, Northeast, Oliver-Redgate, Oppler, Pendleton, Purchase, Rhodes, Roberts, Seex, Smith, Mrs Stainton, Stanley, Thurston, Wallsgrove, Dr Walsh, Warr, Worne and Yeates.

The following Members were absent from the meeting during consideration of the matters referred to in the Minutes indicated:-
Councillor Smith - Minute 775 to 778; and Councillor Seex - Minute 779 (Part).

775. WELCOME

The Chair welcomed Councillors, representatives of the public, press and officers to the meeting.

The Chair confirmed that the Special Meeting of the Council held on 1 March 2023 had been adjourned part-way through at Item 8 [Arun District Council Budget 2023/24]. That meeting had been adjourned to today, 9 March 2023 to allow the Council to seek professional advice regarding the process from this point forward.

The Chair explained that for tonight's meeting, once the standing items of Apologies and Declarations of Interest had been covered, the meeting would resume at the point that last week's meeting had been adjourned during Item 8. At that time, she would invite the Monitoring Officer to set out his advice to the meeting.

776. APOLOGIES FOR ABSENCE

Apologies for Absence had been received from Councillors Batley, Edwards, Gregory, Staniforth, Tilbrook and from Honorary Aldermen, Mrs Stinchcombe and Mr Dingemans.

777. DECLARATIONS OF INTEREST

The Declaration of Interest Sheet set out below confirms those Members who had made a declaration of their personal interest as a Member of a Town or Parish Councillor or a West Sussex County Councillor, as confirmed in their Register of Interest as these declarations could apply to any of the issues to be discussed at the meeting.

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The Chair reminded Councillors of the restrictions on voting outlined in Section 106 of the Local Government Finance Act 1992 as this confirmed that where a Member had at least two months arrears of Council Tax they must not vote on any other matter relating directly to the setting of the next year's Council Tax, though they could remain in the meeting and could speak.

Councillors Walsh and Pendleton both declared Personal Interests in Agenda Item 8 [Arun District Council Budget – 2023/24] as Members of the Sussex Police and Crime Panel as there could be reference made to that precept as part of the debate.

Name	Town or Parish Council or West Sussex County Council [WSCC]
Councillor Tracy Baker	Littlehampton
Councillor Kenton Batley	Bognor Regis
Councillor Jamie Bennett	Rustington
Councillor Paul Bicknell	Angmering
Councillor Billy Blanchard-Cooper	Littlehampton
Councillor Jim Brooks	Bognor Regis
Councillor Ian Buckland	Littlehampton and WSCC
Councillor David Chace	Littlehampton
Councillor Mike Clayden	Rustington
Councillor Andy Cooper	Rustington
Councillor Alison Cooper	Rustington and WSCC
Councillor Sandra Daniells	Bognor Regis
Councillor Roger Elkins	Ferring and WSCC
Councillor Paul English	Felpham
Councillor Steve Goodheart	Bognor Regis
Councillor Pauline Gregory	Rustington
Councillor June Hamilton	Pagham
Councillor Shirley Haywood	Middleton-on-Sea
Councillor David Huntley	Pagham
Councillor Henry Jones	Bognor Regis
Councillor Martin Lury	Bersted
Councillor Stephen McAuliffe	Walberton
Councillor Claire Needs	Bognor Regis
Councillor Mike Northeast	Littlehampton
Councillor Francis Oppler	WSCC
Councillor Jacky Pendleton	Middleton-on-Sea and WSCC
Councillor Vicky Rhodes	Littlehampton
Councillor Emily Seex	Littlehampton
Councillor Martin Smith	Aldwick
Councillor Samantha Staniforth	Bognor Regis
Councillor Matt Stanley	Bognor Regis
Councillor Will Tilbrook	Littlehampton

Councillor Isabel Thurston	Barnham & Eastergate
Councillor James Walsh	Littlehampton and WSCC
Councillor Sue Wallsgrove	Barnham
Councillor Jeanette Warr	Bognor Regis
Councillor Amanda Worne	Yapton
Councillor Gillian Yeates	Bersted

778. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

No questions were asked.

779. ARUN DISTRICT COUNCIL BUDGET 2023-2024

The Chair invited the Group Head of Law & Governance and Monitoring Officer to provide advice to the meeting and to confirm the procedure that would be followed.

The Monitoring Officer reconfirmed that the Special Meeting of the Council held on 1 March 2023 had been adjourned to allow Officers to seek professional external advice. It was confirmed that all Councillors had been sent that advice during the course of the week.

There had been several questions that had been left with Officers at the point of adjourning the last meeting. The Monitoring Officer provided a response to these and summarised the advice that had been received:

- The amendment that had been carried to freeze Council Tax was a valid amendment.
- Once a Motion had been amended, the motion as amended could not be withdrawn by the original proposer. This meant that Full Council would now move into debating the substantive recommendations, as amended.
- The mover of the original Motion, Councillor Gunner, might feel that he was no longer able to support the motion, as amended, and so could vote against it.
- The motion, as amended, was now in the hands of the mover of the amendment [Councillor Bennett].
- In debating the substantive recommendations, further amendments could be moved
- An amendment seeking to alter the now amended [Recommendations d) and e) could not be moved.
- Upon voting on the recommendations as amended, if passed the Budget would be set and confirmed.

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- If the recommendations, as amended, were voted down, provided the meeting had not closed - under the urgency provisions outlined in Council Procedure Rule 4.2 (vii), the original budget report could be reconsidered at this meeting provided the Chair, in consultation with the Chief Executive, considered that the business was of such urgency that it required Council's immediate attention. The Monitoring Officer advised that in needing to set the Council's Budget for 2023/24 that requirement would, in his view, be fulfilled.
- There was no statutory provision or reported case law that would enable the Council to extend the budget setting deadline of 11 March 2023.
- If a budget were to be set after that date, then there would be serious financial implications for the Council in terms of the ability of the Council to issue bills or arrange direct debits for collection.
- There was also a risk of Judicial Review challenge should the Council not set a budget by 11 March 2023.

The Chair returned to the substantive recommendations as amended as displayed to the meeting and invited debate. The amendments carried from 1 March 2023 in relation to all of the recommendations are set out below:

1.1.It is recommended that the Council:

- (a) Notes that the Interim Group Head of Finance, in consultation with the Leader of the Council has approved a tax base of 64,159 for 2023/2024;
- (b) Notes the submission of the Council's NNDR1 return (the estimate of the Council's Business Rate income for 2023/24) to the Department for Levelling Up, Housing and Communities (DLUHC).
- (c) That the General Fund Budget as set out in Appendix 1 is approved;
- (d) Arun's Band D Council Tax for 2023/24 is set at £196.47 a freeze over 2022/23;
- (e) Arun's Council Tax Requirement for 2023/24, based on a Band D Council tax of £196.47 is set at £12.605.32m, plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements;
- (f) The Council's General Fund Balance minimum balance continues to be set at £5m;
- (g) The HRA budget as set out in Appendix 2 is approved;
- (h) HRA rents be increased by 7% in accordance with the provisions of the rent standard;

- (i) HRA garage rents be increased by 7% to give an average rent of £14.50 per week (excluding VAT) and heating and water/sewerage charges be increased on a scheme by scheme basis, with the aim of balancing costs with income;
- (j) The HRA Balance to remain below the minimum level of £2m for the period 2023/24 to 2026/27 to enable the realisation of savings in Repairs and Supervision & Management expenditure to deliver a sustainable HRA; and
- (k) The capital programme as set out appendix C is approved.

- 1.2. Resolve that for 2023/24 any expenses incurred by the Authority in performing in part of its area a function performed elsewhere in its area by a Parish/Town Council or the Chairman of a Parish Meeting shall not be treated as special expenses for the purposes of Section 35 of the Local Government Finance Act 1992.

The first Councillor to speak confirmed that they could not support the budget as amended. Although he agreed with the amendment to freeze Council Tax, this only partly addressed the need for the Council to assist its vulnerable residents more. The primary concern was the proposed 7% increase in Housing Revenue Account (HRA) rents which would impose a further financial burden for residents already struggling with fuel and food poverty. This increase would add substantial weekly costs for families and the elderly.

Councillor Roberts then raised a Point of Order and proposed a Motion without Notice in accordance with the Council's Constitution at Council Procedure Rule 17 that the question be now put. Councillor English seconded this motion.

The Chair responded confirming that she did not believe that the substantive recommendations, as amended, had been sufficiently debated and so confirmed that she would not accept this motion.

Debate on the recommendations continued and support for the amended budget was outlined. A budget needed to be passed and it was acknowledged that any new administration could modify what was seen as a weak and risky budget using £5m of reserves to balance it. The amendment was welcomed as it would assist hard pressed residents but would allow for the budget to be corrected later by administering much needed cuts in services. It was outlined that the budget contained limited information in terms of the proposed £2m set aside for transformation work which would produce cost savings and cuts later affecting the services provided to residents.

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It was felt that the amendment would make the most significant difference for all residents across the entire district. Despite this, further concern was expressed over the 7% rise in council tenant rents. In response, it was stated that the amendment, in freezing council tax across the board, provided for greater tax breaks for those in higher council tax bands than it did for those in lower bands. How was this fair?

Councillor Cooper then raised a Point of Order and proposed a Motion without Notice in accordance with the Council's Constitution at Council Procedure Rule 17 that the question be now put. This was seconded by Councillor Dendle.

The Chair agreed that this motion should be put to the vote. On the procedural motion being put to the vote it was declared CARRIED.

The Chair then invited Councillor Pendleton, as seconder of the recommendations, as amended, to speak. She confirmed that she could not support the budget, as amended, as it did not benefit those most in need, being vulnerable residents, in the same way that it benefited wealthier residents. Support for those most in need could be given in other ways such as the hardship fund which protected those in hardship. The amended freeze in Council Tax did not achieve this.

Councillor Gunner, as the proposer of the recommendations, responded to some of the points raised in the debate and made a statement. He confirmed that he could not support the recommendations as amended.

In line with Council Procedure Rule Vote 20.6, a recorded was required on the voting of the amended recommendations.

Those voting for the recommendations were Councillors Bennett, Blanchard-Cooper, Brooks, Buckland, Coster, Dixon, Goodheart, Haywood, Huntley, Jones, Lury, McAuliffe, Needs, Oppler, Purchase, Seex, Smith, Stanley, Wallsgrove, Walsh, Warr, Worne and Yeates (23). Those against were Councillors Bicknell, Bower, Caffyn, Chace, Chapman, Clayden, Mrs Cooper, Cooper, Daniells, Dendle, Elkins, Mrs English, English, Gunner, Hughes, Kelly, Madeley, Oliver-Redgate, Pendleton, Rhodes, Roberts and Stainton (22). Councillors Northeast and Thurston abstained from voting (2).

The voting on the amended recommendations a) to k) were therefore declared CARRIED.

The Chair then stated that Councillor Goodheart had indicated that he wished to speak during the proceedings of the recorded vote. It was confirmed that he had voted incorrectly. The Chair invited Councillor Goodheart to speak. Councillor Goodheart confirmed that he had voted incorrectly and wished to correct his error.

The Chair confirmed that Councillor Goodheart had raised his hand to speak as soon as he had realised that he had voted incorrectly. This had been made clear to her as Chair before the results of the vote had been declared. The Chair's view was that the result of the vote should now be changed, and she asked for advice from the Monitoring Officer. He confirmed that Councillor Goodheart had read out his vote and that as this had been recorded it should remain as recorded.

A councillor confirmed that this situation had occurred before at Council, and it was suggested that the recording of that previous meeting be played to the meeting and advice sought on how to proceed.

The Chair confirmed that she wished to take further advice and proposed a 15 minute adjournment.

The voting on the proposal to adjourn the meeting was undertaken. This was not carried. The Chair confirmed that she still wished to receive advice from the Monitoring Officer. This would be taken now in the meeting instead of adjourning.

The Monitoring Officer left the Chamber to research the position and on returning was invited to provide his advice. He confirmed that the Chair was not comfortable with Councillor Goodheart not being able to correct his vote given the circumstances. When the vote was being recorded, Councillor Goodheart had indicated very quickly after announcing his vote that he had an issue with the way he had voted and that he had made a mistake. He had indicated this swiftly. The Monitoring Officer confirmed that he had taken advice from Counsel, and he confirmed that his view was that given these circumstances, a Member should be allowed to correct their vote. Counsel had provided the detail of a recent High Court case where a Planning Committee had needed to vote four times on the same item as it had become very confused as to what they were voting for and in those circumstances, Councillors had altered their votes. It was therefore reasonable for Councillor Goodheart to be allowed to correct his vote as he had indicated promptly that he had made an error. In recognition of the fact that the budget was one of the most important items of business for an authority to consider in its council year, it was important for the vote on that item to be correct. Councillor Goodheart would be permitted to correct his vote. It would be for the Chair to confirm how she wished to proceed.

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The Chair asked the Committee Manager to amend the recorded vote sheet for the voting on the substantive recommendations and asked if the results could be declared to the meeting.

Following a Point of Order, which was in protest of the advice received, and a question raised asking if the vote on the substantive recommendations would be taken again in its entirety, the Chair confirmed that as this was one error relating to one Councillor which had swiftly been alerted to the meeting, she confirmed that she was comfortable in proceeding with the recorded vote being corrected for Councillor Goodheart and not for all Members to vote again.

The Committee Manager confirmed that the result of the recorded vote on the substantive recommendations having corrected Councillor Goodheart's error, was 22 Councillors voting for, 23 voting against with two Councillors abstaining. The vote on the substantive recommendations was therefore LOST.

The Monitoring Officer confirmed that as the recommendations had been voted down, under the urgency provisions of Council Procedure Rule 4.2 (vii), the original budget report could be reconsidered at this meeting provided that the Chair, in consultation with the Chief Executive, believed that the business was so urgent to require immediate attention. The Chair and the Chief Executive confirmed this to be the case. The Chair therefore proposed to adjourn for a period of ten minutes to allow the original budget papers to be made available to Members. On the proposal to adjourn being put to the vote, this was declared CARRIED.

Following the adjournment, Councillor Goodheart was invited to verbalise that he had wished for his vote to be corrected, which he then did.

The Chair then referred Members back to the original budget papers as presented in the agenda pack for 1 March 2023 under Item 8 and she invited Councillor Gunner, as the Leader of the Council, to introduce and propose the recommendations.

Councillor Gunner then proposed the recommendations a) to k) as set out in the agenda. These recommendations were seconded by Councillor Pendleton.

The Chair invited debate. The first Councillor to speak was Councillor Thurston who confirmed that she wished to propose the following amendment and that this would form a new recommendation l). The wording of this amendment has been set out below:

l) £200k to be taken from reserves; £100k additional funding for the council tax hardship fund and £100k extra money for the climate change budget, the detail of which will be decided in forthcoming Committees;

Councillor Thurston saw this as a socially just and environmentally friendly addition to the budget. This amendment was seconded by Councillor Wallsgrove.

The Chair invited debate on the amendment. This saw solid support from most Members as it would support residents who were most in need.

The additional money for climate change was also welcomed and it was hoped that the Council's action plan would highlight proposals in terms of how this additional money would be spent quickly.

Following further support from Members, and questions, Councillors Gunner and Pendleton as the proposer and seconder of the recommendations confirmed that they would be happy to support the amendment from Councillor Thurston.

Councillor Cooper then proposed a Motion without Notice in accordance with the Council's Constitution at Council Procedure Rule 17 that the question be now put. This was seconded by Councillor Bower. The Chair in response confirmed that she would allow further debate on the amendment as there had been Councillors who had already indicated that they wished to speak.

Following further support and statements made, the Chair confirmed that she would now return to the substantive recommendations a) to l). In line with Council Procedure Rule 20.6, a recorded vote was undertaken.

Those voting for the recommendations were Councillors Bennett, Bicknell, Blanchard-Cooper, Bower, Brooks, Buckland, Caffyn, Chace, Chapman, Clayden, Mrs Cooper, Cooper, Dendle, Elkins, Mrs English, English, Goodheart, Gunner, Hughes, Jones, Kelly, Lury, Madeley, McAuliffe, Needs, Oliver-Redgate, Pendleton, Purchase, Rhodes, Roberts, Smith, Stainton, Thurston, Wallsgrove, Walsh, Worne and Yeates (37). Those voting against were Councillors Coster, Daniells, Dixon, Haywood (4). Councillors Huntley, Northeast, Oppler, Stanley and Warr abstained from voting (5). The recommendations were therefore declared CARRIED.

The Council

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RESOLVED – that it

- (a) Notes that the Interim Group Head of Finance, in consultation with the Leader of the Council has approved a tax base of 64,159 for 2023/2024;
- (b) Notes the submission of the Council's NNDR1 return (the estimate of the Council's Business Rate income for 2023/24) to the Department for Levelling Up, Housing and Communities (DLUHC).
- (c) That the General Fund Budget as set out in Appendix 1 is approved;
- (d) Arun's Band D Council Tax for 2023/24 is set at £202.34, an increase of 2.99% over 2022/23;
- (e) Arun's Council Tax Requirement for 2023/24, based on a Band D Council tax of £202.34, is set at £12.982m, plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements;
- (f) The Council's General Fund Balance minimum balance continues to be set at £5m;
- (g) The HRA budget as set out in Appendix 2 is approved;
- (h) HRA rents be increased by 7% in accordance with the provisions of the rent standard;
- (i) HRA garage rents be increased by 7% to give an average rent of £14.50 per week (excluding VAT) and heating and water/sewerage charges be increased on a scheme by scheme basis, with the aim of balancing costs with income;
- (j) The HRA Balance to remain below the minimum level of £2m for the period 2023/24 to 2026/27 to enable the realisation of savings in Repairs and Supervision & Management expenditure to deliver a sustainable HRA; and
- (k) The capital programme as set out appendix C is approved.
- (l) £200k to be taken from reserves. £100k additional funding for the Council Tax Hardship Fund and £100k extra money for the climate change budget, the detail of which will be decided in forthcoming Committees.

- (2) Resolve that for 2023/24 any expenses incurred by the Authority in performing in part of its area a function performed elsewhere in its area by a Parish/Town Council or the Chairman of a Parish Meeting shall not be treated as special expenses for the purposes of Section 35 of the Local Government Finance Act 1992.

(The meeting was concluded at 8.12 pm)

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Public Document Pack Agenda Item 15

Subject to approval at the next Standards Committee meeting

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STANDARDS COMMITTEE

23 February 2023 at 6.00 pm

Present: Councillors P. English (Chair), Kelly (Vice-Chair), Bennett, Caffyn, J. English, Gregory and Wallsgrove

Also present were Independent Persons Mr John Cooke and Mrs Sandra Prail.

692. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Independent Person Mr John Thompson, and Councillors Coster and Daniells.

693. DECLARATIONS OF INTEREST

Councillor Kelly declared a Personal Interest in Agenda Item 13 as he had been present when the occurrence happened.

694. MINUTES

The Minutes of the meeting held on 15 December 2022 were approved by the Committee. These would be signed at the end of the meeting.

695. ITEMS NOT ON THE AGENDA WHICH THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES

There were no urgent matters for this meeting.

696. PUBLIC QUESTION TIME

No public questions had been submitted for this meeting.

697. MONITORING OFFICER REPORT

Upon the invitation of the Chair, the Monitoring Officer introduced the report. He explained that version 2.2 of the Constitution had now been published, following the meeting of Full Council in January, and all the amendments made had been through the Constitution Working Party and Full Council. The Protocol on Member and Officer relations, which had been considered by the Standards Committee in December, had been updated and incorporated into the Constitution. The Monitoring Officer Protocol had been adopted by the Council and also incorporated into the Constitution. Other key areas of the report were to be covered under separate items on the agenda.

There were no questions from Members.

The Committee noted the report.

698. MEMBER LEARNING AND DEVELOPMENT

Upon the invitation of the Chair, the Monitoring Officer introduced the report. He explained this was the induction programme for new Councillors and would run from May until July. The induction programme had previously been presented to Committee in its draft stage. Since the last Committee meeting, Officers had considered the balance between daytime and evening sessions, which had also been discussed with the Corporate Management Team. Taking into account the availability of the Officers, the Chamber and external trainers, Officers were happy with the Induction Programme as presented. As previously requested by Committee, the mandatory training sessions had now been highlighted. The Committee were asked to provide feedback and note the programme, as this would need to be provided to candidates and agents in the coming weeks. The Monitoring Officer thanked the Committee Services Manager, Jane Fulton, for all her work on the Member Induction Programme.

Members then took part in a question and answer session where the following points were raised:

- Members also thanked the Committee Services Manager for her work on this.
- Would mandatory training be mandatory for all Members, or just new Members? The Monitoring Officer confirmed mandatory training would need to be completed by all Councillors.
- It was thought having high attendance at sessions would make it more difficult to absorb information given, and it was asked whether priority could be given to Members that were likely to be sitting on the relevant Committees. The Monitoring Officer confirmed where possible this would be the case.
- Could training be given in smaller groups? The Monitoring Officer explained this would be more expensive, and there would also be issues with availability of external trainers. The Planning Committee would meet soon after the elections, and so it was important everyone was trained as soon as possible.

- Would any of the sessions be recorded for Councillors unable to attend? The Monitoring Officer explained that it was essential Members were physically present for the training, so they would not be hybrid meetings.
- Clarification was sought on the Module 2 sessions in June and July. It was explained there would be availability 15 Councillors at each session, and there would be a morning and an afternoon session on each date.
- Would there be any training for Chairs? The Monitoring Officer confirmed there would be Chair and Vice-Chair training but planning for that was still in progress, and may be run in conjunction with neighbouring local authorities to reduce costs.

The Committee noted the finalised Member Induction Programme.

699. REVIEW OF LOCAL ASSESSMENT PROCEDURE AND ASSESSMENT PANEL PROCEDURE

Upon the invitation of the Chair, the Monitoring Officer introduced the report. He explained an annual review of the Local Assessment Procedure had been carried out, and the major changes were summarised in 4.4 of the report. He then explained each of the major changes to the Committee.

Members then took part in a question and answer session where the following points were raised:

- It was hoped that Members had the choice as to whether to involve Group Leaders in complaints or not. The Monitoring Officer confirmed this was the case and explained that there was an error in paragraph 6 of the Local Assessment Procedure which he would correct. This was that the word 'declines' needed adding into the sentence 'If either the Subject Member or the complainant **declines** to engage with this informal process...'
- If a complaint was made prior to the elections, and by the time it was investigated the subject Member was no longer a Councillor, would the complaint progress? The Monitoring Officer confirmed that if someone stopped being a Councillor, the complaint would stop.
- If someone stopped being a District Councillor but was still a Parish or Town Councillor would the complaint continue? The Monitoring Officer explained that when a complaint came in, it would be determined which Councillor capacity they were acting under at the time, and therefore which Code of Conduct it fell under. If the complaint was made against someone acting as a District Councillor and they ceased being a District Councillor, the complaint would not be investigated further.

The recommendations were proposed by Councillor Bennett and seconded by Councillor Gregory.

Standards Committee - 23.02.23

The Committee

RESOLVED

- 1) That they had reviewed the operation of the Local Assessment Procedure (Appendix A) and Hearings (Assessment Panel) Procedure (Appendix B), including the proposed amendments made by the Monitoring Officer; and

RECOMMEND TO FULL COUNCIL

- 2) that the revised Local Assessment Procedure and Assessment Panel Procedure be adopted

700. REVIEW OF SOCIAL MEDIA GUIDANCE

Upon the invitation of the Chair, the Monitoring Officer introduced the report. He explained this was a review of the existing social media guidance for Councillors. The purpose of this was to assist Councillors in how they used social media, recognising it was a tool many Councillors wanted to use to engage with residents. The updated document reflected updated guidance from the Local Government Association (LGA). The Social Media Guidance also included guidance around what to do when faced with abuse on social media.

Members then took part in a question and answer session where the following points were raised:

- Could Councillors' personal mobile phones and apps be subject to Freedom of Information (FOI) requests? The Monitoring Officer explained that if Council business was being conducted via personal accounts, this could be subject to FOI requests.
- Should Councillors have separate accounts to conduct Council business? The Monitoring Officer explained it was strongly advised Members used their Arun email accounts to conduct Council business. Social Media accounts were not provided by Arun.

The recommendations were proposed by Councillor Bennett and seconded by Councillor Wallsgrove.

The Committee

RESOLVED

- 1) That they had considered and commented upon the revised Social Media Guidance for Councillors; and

RECOMMEND TO FULL COUNCIL

- 2) that the revised Social Media Guidance be adopted

At the end of this item the Chair asked the Monitoring Officer for clarification on whether non-Committee Members could attend the Standards Committee and ask to speak. This followed an email circulated to Members by the Monitoring Officer, and the Chair felt clarification was required.

The Monitoring Officer felt there was no reason a non-Committee Member should not be able to address the Standards Committee. The exception to this was during exempt business, as these reports were not circulated to all Members, only to Members of the Standards Committee, and there was an expectation of confidence around the complaints.

One Member asked whether non-Committee Members wishing to attend the Standards Committee could stay and listen to the exempt part of the meeting. The Monitoring Officer explained the Constitution stated non-Committee Members could stay for the exempt part of the meeting if they had a good reason to remain.

701. WORK PROGRAMME

The Committee noted the Work Programme.

702. REGISTER OF ASSESSMENT OF COMPLAINTS AGAINST COUNCILLORS

Upon the invitation of the Chair, the Monitoring Officer introduced the report. He explained that since the last Committee meeting 5 complaints had been received, progressed or completed. He highlighted the table at Paragraph 4.2 on page 82. Some complaints involved District Councillors, some involved Town or Parish Councillors. 4 of the complaints were ongoing, one had resulted in no breach of the Code and would not be progressed further. The Monitoring Officer had not identified any patterns or trends to the complaints.

Members then took part in a question and answer session where the following points were raised:

Standards Committee - 23.02.23

- Was it expected some complaints may not have been dealt with by the election period? The Monitoring Officer explained all 4 of the live complaints would have reached the end of the initial assessment stage. He was unable to say whether these would move to the next stage of the procedure. If this were the case and the subject members were no longer Councillors, the investigation would cease.
- If it was determined before 20 March 2023 that a complaint would need to go to a Hearing Panel, could this happen during the pre-election period, or would this need to be delayed until after the elections? The Chair emphasised that the Standards Committee and Hearing Panels were non-political. The Monitoring Officer explained he would need to give thought on whether a Hearing Panel could take place, or whether it could be seen as promoting a candidate.
- How long did each complaint take from start to finish? The Monitoring Officer explained the initial phase of the procedure could take 20 working days, If this progressed to formal investigation, which was took up to 3 months, and there was a finding of a breach, a panel would need to be convened. It would take around 5/6 months to reach a Hearing Panel.

The Committee noted the report.

703. EXEMPT INFORMATION

The Committee

RESOLVED

That under Section 100A(4) of the Local Government Act 1972, the public and accredited representatives of newspapers be excluded from the meeting for the following items of business on the grounds that they may involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act by virtue of the paragraph specified against the items.

704. REGISTER OF ASSESSMENT OF COMPLAINTS AGAINST COUNCILLORS

Upon the invitation of the Chair, the Monitoring Officer introduced the report.

Following a discussion, the Committee noted the contents of the report.

(The meeting concluded at 7.26 pm)

Public Document Pack Agenda Item 16

Subject to approval at the next Audit & Governance Committee meeting

489

AUDIT & GOVERNANCE COMMITTEE

28 February 2023 at 10.00 am

Present: Councillors Clayden (Chair), Chapman (Vice-Chair), Bennett, Brooks, Chace, Oliver-Redgate and Wallsgrove

716. APOLOGIES

Apologies for absence had been received from Councillors Goodheart and Oppler.

717. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

718. MINUTES

The Minutes of the meeting held on 29 November 2022 were approved by the Committee. These would be signed at the end of the meeting.

719. ITEMS ON THE AGENDA THAT THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCE

The Chair confirmed that there were no urgent matters for this meeting.

720. PUBLIC QUESTION TIME

The Chair confirmed that no questions had been submitted for this meeting.

721. MEMBERS' ALLOWANCES - EXTENSION OF APPOINTMENTS FOR THE INDEPENDENT REMUNERATION PANEL

Upon invitation of the Chair, the Group Head of Law & Governance introduced the report, which sought the Committee's approval to extend the terms of office for all five members of the Independent Remuneration Panel (IRP) until 31 March 2024. The IRP were appointed to recommend Members' allowances to Full Council. Officers had also noticed a gap in the Constitution, which was set out in Paragraph 4.3. It was clear from wording in the Constitution that the intention had been that the appointment of Members of the IRP, and any removal of Panel Members, was to be delegated to the Chief Executive. Members were asked to recommend these changes, as set out in Paragraph 4.5 of the report, to the Constitution Working Party.

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Members then took part in a question-and-answer session and the following points were made:

- What circumstances may arise that would require the Chief Executive to remove an IRP Member? The Group Head of Law & Governance gave an example that a Member of the Independent Remuneration Panel may not be a Councillor, so if they became a Councillor during their term, they would need to cease their role on the IRP.
- Could the Committee extend the term for a further 3 years? The Group Head of Law & Governance explained that the IRP should be refreshed every 3 years, so it would be important to go through the process of reappointing the Panel.

The recommendations were proposed by Councillor Chace and seconded by Councillor Bennett.

The Committee

RESOLVED

That they agree to extend the terms of office for all five members of the Independent Remuneration Panel until 31 March 2024; and

RECOMMEND TO THE CONSTITUTION WORKING PARTY

That it considers recommending to Full Council that an additional delegation be granted to the Chief Executive (regarding appointments to the Independent Remuneration Panel) as per the proposed wording set out at Paragraph 4.5 of the report.

722. AUDIT RESULTS REPORT

The Chair invited the Associate Partner, Kevin Suter and the Audit Manager, James Stuttford, from Ernst & Young LLP to present the Audit Results Report. They explained the purpose of the report was to set out the key issues from their external audit, therefore Members could take a degree of assurance on whether or not to approve the Council's accounts. Their audit work was substantially progressed, and they had been able to draw sufficient conclusions to be able to present the report to Committee. For various reasons they had been unable to complete their review procedures in advance of the meeting, so they would not be in a position for the audit to be signed off today. This meant there would be an amended Officer recommendation for the next report. Key areas of the document were highlighted to Members.

Members then took part in a question-and-answer session and the following points were made:

- It was noted that any uncorrected misstatements greater than £105,000 were reported, but were those less than this figure taken into account? The Associate Partner of Ernst & Young LLP explained that they kept a close eye on this and there was a running total.
- With regard to assets that had been overvalued, would Officers be made aware? It was explained the valuation judgment was at a point in time and was subject to change as valuations fluctuated and contracts changed, therefore this did not mean the decision to purchase was wrong. The Group Head of Finance and Section 151 Officer explained that the valuations changes were not material, and also did not affect the Council's cash until it came to sell the asset.

This was an item for information only.

723. ANNUAL STATEMENT OF ACCOUNTS 2021/22 AND LETTER OF REPRESENTATION

Upon invitation of the Chair, the Group Head of Finance and Section 151 Officer introduced the report. He explained the three recommendations and that the third recommendation had changed slightly, and now included the words 'subject to the completion of the final audit procedures, with any resulting changes delegated to the Section 151 Officer, in consultation with the Chair of the Audit & Governance Committee, for resolution.'. This was, as mentioned by the Associate Partner from Ernst & Young LLP in the previous item, because the audit was not yet complete. He explained the Council expected to get an unqualified opinion, which was a positive thing and something all Councils wanted, as otherwise reputational damage could be done. The Letter of Representation was a broad statement written by management to the auditors, which said that management took responsibility for the accuracy of the accounts, and gave the auditors confidence in the accounts. The statement of accounts were required by law. They were not the same as the management accounts which reported the Council's performance against the budget. The Statement of Accounts were in compliance with accounting rules and regulations.

Key points were highlighted including the Expenditure and Funding Analysis statement on page 90 of the report and the Comprehensive Income and Expenditure statements on page 91 of the report. The comparator figures had been restated to reflect the change from the Cabinet to the Committee structure of the Council. There were a few differences in the accounts, which was not unusual, and they had fallen below the material threshold so had not been changed.

There were no questions from Members.

The recommendations were proposed by Councillor Bennett and seconded by Councillor Wallsgrove.

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The Committee

RESOLVED that

- 1) the findings of the Ernst & Young LLP Audit Results Report (previous item on the agenda) be noted;
- 2) the Management representation letter on behalf of the Council in appendix 1, be approved; and
- 3) the Statement of Accounts for the financial year ended 31 March 2022 contained in appendix 2 be approved, subject to the completion of the final audit procedures, with any resulting changes delegated to the Section 151 Officer, in consultation with the Chair of the Audit & Governance Committee, for resolution.

724. FINAL ANNUAL GOVERNANCE STATEMENT 2021/22

Upon invitation of the Chair, the Internal Audit Manager introduced the report, which presented the final Annual Governance Statement for 2021/22. This was a mandatory document required to accompany the audited Annual Accounts. The draft Annual Governance Statement had been noted by the Committee at its July 2022 meeting, and had been presented to external audit who had raised no issues. The Annual Governance Statement covered the period of accounts from April 2021 – March 2022. There had since been significant inflation for the year 2022-23, which would be reflected in the Annual Governance Statement for the next year, which would be presented to Committee at its next meeting.

There were no questions from Members.

The recommendations were proposed by Councillor Chace and seconded by Councillor Bennett.

The Committee

RESOLVED

That the final version of the Council's Annual Governance Statement for 2021/22 be approved

725. UPDATE ON APPOINTMENT OF EXTERNAL AUDITOR

Upon invitation of the Chair, the Internal Audit Manager introduced the report which set out the current position regarding the appointment of an external auditor to the Council for the 5-year period from 2023/24 to 2027/28. Public Sector Audit Appointments (PSAA) Ltd had now completed the appointment exercise, and Officers had been informed that Ernst & Young LLP would be appointed again to cover this period. Fees had yet to be agreed.

There were no questions from Members.

The Committee noted the report.

726. INTERNAL AUDIT CHARTER 2023/24

The Chair welcomed Iona Bond, Senior Audit and Counter Fraud Manager, from Southern Internal Audit Partnership (SIAP), who then presented the report to the Committee. The Internal Audit Charter was a formal document that defined the purpose of internal audit activity, the authority and responsibility consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards. The Public Sector Internal Audit Standards required the Charter to be reviewed and approved annually. There were no significant changes to the document as presented last year.

There were no questions from Members.

The recommendation was proposed by Councillor Chace and seconded by Councillor Oliver-Redgate.

The Committee

RESOLVED

That the Internal Audit Charter be approved

727. INTERNAL AUDIT ANNUAL PLAN 2023-24

The Chair invited Iona Bond, Senior Audit and Counter Fraud Manager, from Southern Internal Audit Partnership (SIAP), to present the report to the Committee. The Internal Audit Plan provided the mechanism through which the Chief Internal Auditor could ensure most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements. This report presented the plan for 2023/24 for approval by the Committee. In drawing up the plan, the Senior Audit and Counter Fraud Manager from Southern Internal Audit Partnership had met with all Group Heads, Directors and the

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Chief Executive to go through the proposals for the year. It was envisaged there would be some changes over the course of the year to the Plan, which would be done in consultation with the Senior Management Team and would be brought to the Committee via the regular progress reports.

There were no questions from Members.

The recommendation was proposed by Councillor Chace and seconded by Councillor Bennett.

The Committee

RESOLVED

That the Internal Audit Plan 2023-24 be approved

728. INTERNAL AUDIT PROGRESS JANUARY 2023

The Chair invited Iona Bond, Senior Audit and Counter Fraud Manager, from Southern Internal Audit Partnership (SIAP), to present the report to the Committee. The report outlined the progress of the Council's Internal Audit service against the approved Internal Audit Plan for 2022/23 from 1 April 2022. Very good progress was being made and they were on track to substantially deliver the revised plan by the end of March, and all individual assignments would be completed in time for the annual report that would be presented to the Committee in July. Regarding the analysis of 'Live' audit reviews, there were very few management actions left to be completed. There had been no reports published concluding a "Limited" or "No" assurance opinion to date for 2022/23. The rolling work programme was looking very good.

The Vice-Chair was pleased to see that action was being taken on Cyber Security, and that there was nothing vitally urgent around health and safety. There were no questions from Members.

The Committee noted the report.

729. TREASURY MANAGEMENT - STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2023/24

Upon invitation of the Chair, the Senior Accountant (Treasury Management) introduced the report, which was the Annual Treasury Management Strategy relating to the 2023/24 activities. This required the approval of Full Council and was a mandatory requirement under the Local Government act 2003. The Annual Treasury Management Strategy was the management of the borrowing, investments and cash flows, and the

effective control of the risks associated with those activities; security, liquidity and yield in that order. The main changes were due to the new treasury management and prudential codes introduced in December 2021.

The Senior Accountant went on to highlight a few key areas from the body of the report as follows:

- 1.2.2 (page 269-270) - there would be 4 reports per year starting from 2023/24. The additional report would not be required to go to Full Council but was for scrutiny in the September Committee meeting.
- 1.4 (page 271-272) - with the new codes there was even more emphasis on training for Members and Officers responsible for Treasury Management. On 22 June 2023 a 1.5 hour training session would be taking place, and work was being done to develop a self-assessment form for Members to complete to assess their knowledge and skills.
- 2.3 (page 275-276) - an additional performance indicator, Liability Benchmark, had been introduced as a result of the new codes. A liability benchmark below the current maturity profile, as was the case for Arun, highlighted a no additional borrowing need due to the level of investments.
- 3.7 (page 286) - there were potential new options for borrowing if required.
- 4.1 (page 288-289) - as a result of the change in accounting standards for 2022/23 under IFRS 9, override, this had been extended to 31 March 2025 which impacted any losses or gains, therefore they would not be taken to the General Fund in 2023/24.
- 4.2 (page 289) - Environmental, Social and Governance (ESG) was a new area as a result of the code. These areas would be considered and work was being done to assess each counterparty.
- 4.5 (Page 294) - listed all changes as a result of the new codes. This also contained the addition of 2 counterparties and the removal of 1.
- 4.6 (Page 295) – The Link Group Benchmarking Club showed Arun's returns were just above the upper returns guidelines, and were performing well compared to other councils.

Councillor Wallsgrove felt Abu Dhabi should be removed from the list of counterparties which she said was due to their use of child labour, investments in palm oil and paper products, their failure to cut all reduction on the Paris Agreement on Climate Change and their government committing human rights violations. She felt Arun District Council should not be investing in this kind of bank. She Proposed an amendment to recommendation 2) which was that Abu Dhabi be added to the list of Removals of Counterparties. This amendment was seconded by Councillor Bennett.

The Group Head of Finance and Section 151 Officer explained Officers worked with the treasury management advisors for advice, which was why Abu Dhabi was on the list. He explained Members were able to remove Abu Dhabi from the list, but as a Council the priority was to look at Security, Liquidity and Yield. Members should be aware that they may not be able to achieve a better investment rate.

The Chair invited debate on the amendment and one Member made the point that they felt security of investments was important, but it was a comparatively small amount invested, and it was felt there were more ethical investments and the amendment was supported.

The Secunder fully supported this amendment and felt the human rights issues should take priority. The Council were investing taxpayer's money and it was important they were looking at investing in not only financially safe areas, but safe areas in terms of the human population as well.

Councillor Wallsgrove, as the Proposer, explained the Council should be looking after people's human rights, and the abuse some people faced was horrific.

A recorded vote on the amendment was requested. Those voting for were Councillors Bennett, Brooks, Oliver-Redgate and Wallsgrove. No Councillors voted against. Councillors Chace, Chapman and Clayden abstained from voting. The vote was therefore declared CARRIED

Turning to the substantive, the Chair invited questions from Members and the following points raised:

- It was understood there was still £6m invested with Qatar National Bank, and £1m with Abu Dhabi, would these be withdrawn and money returned to Council funds? The Group Head of Finance and Section 151 Officer would provide a written response to this after the meeting.
- One Member pointed out these were fixed term investments and it was not expected they would be withdrawn earlier and investments lost.

Councillor Bennett believed it was possible to withdraw from these investments early, and he Proposed an amendment to the recommendations to Full Council, which was that a fourth recommendation be added. This would be as follows 'Officers be requested to enquire into the early withdrawal of all investments in Qatar National Bank and First Abu Dhabi Bank and report back to the Audit & Governance Committee at its next meeting with the findings.'

This amendment was seconded by Councillor Wallsgrove, who expressed the view that the Council should be looking at the morals of the banks being investing in, and felt it was not right to invest public money in companies that abused human rights.

A brief debate took place in which one Member felt this would be very difficult to support, as he understood why the Council would want to remove these counterparties from future investments, but did not feel it was right to incur fees using Council Tax payer's money to withdraw early. Another Member expressed the view that nothing would happen until the report had come back, and so it was felt a reasonable request.

The Group Head of Finance and Section 151 Officer confirmed that this amendment to the recommendations to Full Council was that a report be brought back to the Audit & Governance Committee with information around the charges and

implications of early withdrawal from investments with the Qatar National Bank and Abu Dhabi, some of which would have already matured by the next meeting.

For clarity, the Committee Manager read out the amendment, which would add a fourth recommendation to Full Council.

A recorded vote on the amendment was requested. Those voting for were Councillors Bennett, Brooks, Chapman, Clayden, Oliver-Redgate, Wallsgrove. No Councillors voted against. Councillor Chace abstained from voting. The vote was therefore declared CARRIED

The substantive recommendations were proposed by Councillor Bennett and seconded by Councillor Oliver-Redgate.

The Committee

RECOMMEND TO FULL COUNCIL that

1. The Treasury Management Strategy Statement for 2023/24 to 2025/26 be approved and adopted.
2. The Annual Investment Strategy for 2023/24 to 2025/26, including the addition of two new counterparties and removal of two, be approved and adopted;

Additions:

Australia & New Zealand Banking Group (ANZ)
National Bank of Canada

Removal:

Qatar National Bank
Abu Dhabi

3. The Prudential Indicators within the TMSS and AIS for 2023/24 to 2025/26 as contained in appendix 1 and the body of the report, be approved.
4. Officers be requested to enquire into the early withdrawal of all investments in Qatar National Bank and First Abu Dhabi Bank and report back to the Audit & Governance Committee at its next meeting with the findings.

730. APPROVAL OF ACCOUNTING POLICIES 2022/23

Upon invitation of the Chair, the Group Head of Finance and Section 151 Officer introduced the report. He explained that the Committee was requested to approve the accounting policies that would be applied to the Statement of Accounts 2022/23. There were no major changes to the Chartered Institute of Public Finance and Accountancy's (CIPFA) Accounts Code of Practice for 2022/23, and therefore no changes to the Council's accounting policies from 2022/23.

There were no questions from Members.

The recommendation was proposed by Councillor Bennett and seconded by Councillor Oliver-Redgate.

The Committee

RESOLVED

That the accounting policies that will be applied to the Statement of Accounts 2022/23, be approved.

731. PROGRESS UPDATE ON HOUSING TENANCY FRAUD

Upon invitation of the Chair, the Neighbourhood Services Manager introduced the report. She explained that the calculations around how much a Council was saving each time a property was identified and put back into the correct use, had increased to £93,000. The majority of these properties were coming to attention due to concerns around illegal subletting, and these were often found in an abandoned state. She then explained the figures to the Committee. The Housing Tenancy Fraud Officer was fully integrated within the Housing Officer team, and Housing Officers were all very aware of the potential for fraud. The total savings to the Council were very large, and recovering one property more than covered the Housing Tenancy Fraud Officer's salary, so the value to the Council of the service, was clearly evidenced.

The Chair felt this was a very positive report, and asked that congratulations be given to the Housing Tenancy Fraud Officer for her great work. He felt that taking homes from people that did not need them or were not eligible for them, and giving them to people in desperate need had far more benefits than just the cost element. The most important thing was that people that needed the homes were being given them. He asked whether they monitored subletting and overcrowding.

The Neighbourhood Services Manager confirmed that any suspicious activity where it was believed the occupants were not the original occupants or the property being used by occupants they were not suitable for, would raise alarm and this would be investigated. She explained there were far more properties this year being brought

back into use for the benefit of the community than in previous years, which was largely down to the vigilance of the Officers.

One Member asked the average turn around time for getting a property back into use. The Neighbourhood Services Manager explained the average period from receiving the keys back to re-letting the property was around 73 days, which was reflective of the amount of work required to the properties when they came back to the Council.

Other Members expressed their praise for such a positive report and great work.

The Committee noted the report.

732. WORK PROGRAMME

The Committee noted the Work Programme.

At the end of the meeting the Chair and Vice Chair reflected that having sat on the Audit & Governance Committee since 2007, which they had enjoyed, this was to be their last meeting on the Committee. They thanked the Audit Team, the Finance department and Committee Services Team for all their help over the years and would miss sitting on the Audit & Governance Committee.

(The meeting concluded at 11.22 am)

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Public Document Pack Agenda Item 17

Subject to approval at the next Policy and Finance Committee meeting

519

POLICY AND FINANCE COMMITTEE

7 March 2023 at 6.00 pm

Present: Councillors Gunner (Chair), Pendleton (Vice-Chair), Chace (Substitute for Cooper), Dixon, Goodheart, Oppler, Roberts, Stanley and Dr Walsh

Councillors Coster and Thurston were also in attendance for all or part of the meeting.

748. APOLOGIES

Apologies were received from Councillor Cooper.

749. DECLARATIONS OF INTEREST

Councillor Goodheart declared a personal interest in agenda item 9 [The Regeneration of the Regis Centre, Bognor Regis - Update Report] as a Bognor Regis Town Councillor and a resident of Bognor Regis.

750. MINUTES

The minutes from the meeting of the committee held on the 9 February 2023 were approved.

751. ITEMS NOT ON THE AGENDA THAT THE CHAIRMAN OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES

There were no urgent items.

752. PUBLIC QUESTION TIME

The Chair invited questions from members of the public who had submitted their questions in advance of the meeting in accordance with the Council's Constitution. The chair confirmed that one question had been submitted. The question was asked by the member of the public and this was responded to by the Chair.

(A schedule of the full questions asked and the responses provided can be found on the meeting's webpage at: [Arun District Council](#))

The Chair then drew Public Question Time to a close.

753. CAPITAL STRATEGY 2023/24 TO 2026/27 [30 MINUTES]

The Group Head of Finance and Section 151 Officer introduced the report and explained to members that it was a requirement of the CIPFA prudential code that all councils produced a capital strategy that was approved by Members. The purpose of the strategy, which was not a budget report, was for it to be a framework that ensured that capital investment decisions were made in line with service objectives and was linked to the Treasury Management Strategy. Appendix 1 outlines the council's approach to asset management planning, governance and business case option appraisals for individual schemes. The council was currently debt free in terms of its general fund and he confirmed that the council would likely need to borrow to fund future capital projects. He explained that borrowing was an acceptable approach if it was affordable and responsible.

The Chair then invited the committee to ask any questions, a summary of the points raised is below;

- Concern was raised as one member believed that it would be premature of the committee to send this to Full Council given the outstanding issue regarding the council's budget meeting, which was currently adjourned until Thursday 9 March 2023. It was reconfirmed that the report before members was not a budget report.
- Questions were asked regarding the types of investments the council should be considering e.g., the location of investments as well as advice regarding investments that may provide a negligible return. It was confirmed that this detail was documented in a report that went to the Audit & Governance Committee on 28 February 2023, and that the council would complete the usual due diligence prior to committing to any investment to ensure that it was a sound decision.
- A question in relation to the councils Housing Revenue Account (HRA) where it was asked if the section 151 officer could foresee any issues or conflicts arising in the future regarding Right to Buy (RTB) receipts, the section 151 officer confirmed that a written answer would be given.

The recommendations were then proposed by Councillor Pendleton and seconded by Councillor Dixon

The Committee

RECOMMEND TO FULL COUNCIL

that the Capital Strategy 2023/24 to 2027/28 be approved.

754. CARBON ACTION WORK PLAN UPDATE [30 MINUTES]

The Climate Change and Sustainability Manager presented the update report to members where he advised that it contained the emissions update for the 2021/22 financial year as well as updates to a number of projects that have been going on over the last year. . He then highlighted the following key points;

- Not all projects were able to have emission figures reported currently, these have been included where they are available.
- The main body of the action plan provides information on sustainable projects that the council had undertaken and completed, were currently being undertaken or were planned for as future work.
- Scope 1 – emissions directly attributed to the burning of fuels e.g., running the council's fleet and heating of council offices.
- Scope 2 – indirect emissions from the generation or purchase of electricity
- Scope 3 – the activities of the council occurring from sources not owned or directly controlled by the council, these are both up and down stream sources and included things such as commuting, business travel and procurement. Scope 3 was confirmed as the most challenging area to reduce.
- Scope 1 and 2 made up only 0.75% of total emissions with the remaining 99.25% lying within Scope 3

The projects detailed within the document are those which will result in the direct and indirect reduction of carbon usage. It was stated that it was important for members to note that the council must have a significant focus on its procurement as it was the highest and most challenging area to reduce and without a significant reduction in this area, an overall all significant reduction would not be achievable.

The Chair then invited questions and discussion from members. Discussion was had regarding the work being completed to reduce the number of diesel vehicles used by the council's waste contractor, Biffa. It was confirmed that a number of options were being reviewed, however, the Officer did not believe that the technology in terms of electric vehicles was where it needed to be, in order to provide the significant reduction, the council wanted to see made. It was also stated that the council would be guided by Biffa in terms of the consideration of vehicle types e.g. electric, hydrogen etc as Biffa would be the users of the vehicles. A request was made from the Director of Environment and Communities for confirmation of the addition revenue and capital figures were regarding the food waste collections, the Director of Environment and Communities confirmed a written response would be provided.

A request was made to obtain further information from Biffa in relation to the procurement emissions as it would be good for members to understand what Biffa's performance in this area was currently, including their own plans on future targets.

Discussion moved on to reviewing of opportunities to install additional solar PV on council estates, including car parks and leased buildings. It was commented that it would be beneficial for the Alexandra Theatre in Bognor Regis to be included in this work.. Moving on to action point 22 in the action plan, it was asked if there had been any additional research completed on the water usage at recreation grounds for which the council had responsibility. Further information was sought on the councils Climate Champions and the training being offered to employees; would this also be rolled out to members? It was confirmed that the council had recently undertaken several building audit, this work included reviewing options to install PV . Once the results of these audits are reviewed and details finalised these could be shared with members. The officer then advised that the climate champions were a group of officers who had shown a keen interest in climate change and biodiversity, this group of officers were being updated regularly so that they can spread the message to the wider employee audience around what the council is doing around climate change. In terms of training, some staff had completed a recent 8-hour training session called Carbon Literacy training, however there would be some e-learning being created to specifically be shared with members (and officers) in the future. A written response was agreed for the information requested regarding water usage at council recreation grounds.

Discussion then moved on to the financial figures included in the report, specifically how much had been spent on phase one and what was left to spend on phase two. It was confirmed that phase one had seen £28,000 spent with the remaining budget left for phase two. The officer agreed to review the figures to ensure that they matched correctly.

In summing up the Chair reminded members that the continuation of the weekly bin collections was the cheapest option and that the weekly food collection costs were the most expensive. Moving to the recommendations the Chair confirmed that each recommendation would be votes on separately as had been requested.

The recommendations were then proposed by Councillor Goodheart and seconded by Councillor Stanley. Upon the vote being taken recommendation 2.3 was not carried and, therefore.

The Committee

RESOLVED that it

- 2.1. Continued to support the work of the Climate Change and Sustainability Manger in reducing the Scope 1, 2 and 3 emissions produced by the Council
- 2.2. Notes the report, particularly the challenges identified in reducing Co2 emissions referred within the conclusion of the report.

755. LITTLEHAMPTON SEAFRONT PROJECT [15 MINUTES]

The Principal Landscape and Project Officer presented the update report to members and advised that the priority last few months of the project had been to define a clear procurement route for a design and build contract, but she explained that it had been a much more challenging experience than previously expected. The result of these challenges meant that it had been necessary to change the framework used for the process. The framework that would now be used was Pagabo. The remainder of the report provided members with an update on the projected costs of the project, the pre-application submitted to Planning and the ground water monitoring that was currently taking place on site.

The chair then invited members to ask questions. It was asked what the Pagabo framework was and what steps were being taking to improve the information in the council's information boards that are situated on the seafront? The officer confirmed that Pagabo was just the name of a framework that the council could use. She then confirmed that, the information boards would be updated for the public in the coming days.

Some questions were raised specifically relating to design specifics for the project and the officer reminded members that there was currently no further information on the design side of the project. This was due to the length of time the procurement route has taken; however, she would update members as soon as the project has moved forward to this phase.

Clarification was sought regarding specifically what the recommendation was asking members to agree to and this was explained by the officer. The officer also confirmed that the advice received had not raised concerns, however any cost incurred would be something that would require balancing out as the project moves to the next phase. Discussion then moved onto the financial aspect of the project where the expected overrun cost was discussed along with options to be considered to bring the overrun costs down. The Chair confirmed that this detail would be brought back to members at a later meeting.

Support for the project was voiced where it was stated that there had been a good level of public consultation, excellent work completed by officers thus far and that future information being presented to the public should remain clear and focus on the concept plan. It was also requested that any information being put up on the information boards was also to be emailed to members.

The recommendations were proposed by Councillor Chace and seconded by Councillor Goodheart.

The Committee

RESOLVED that

It notes the content of this report and agree the revised procurement route using Pagabo and not SCF.

756. THE REGENERATION OF THE REGIS CENTRE, BOGNOR REGIS - UPDATE REPORT [15 MINUTES]

(Councillor Thurston left the meeting at 18:58pm.)

The Interim Project Manager provided members with a presentation update on the regeneration of the Regis Centre, Bognor Regis. He confirmed that the Whitbread contract had been exchanged with an expected completion mid-May 2023. The project delivery had now moved into RIBA 3 design, he explained that the planning application submission would be expected towards the end of May 2023. The total project cost forecast was confirmed to currently be within the budget envelope.

The Chair then invited member's questions, where it was asked with the construction work forecast to start on 20 November 2023, how long do officers expect this work to take. It was confirmed that it was expected to be approximately an 18 month build programme. But this would be further informed by the procurement process (and related contractor programme) which is yet to take place and is being worked towards in tandem with RIBA 3. It was also confirmed that there were temporary locations being reviewed in order to relocate part of the Arun Arts operation and maintain a presence for them during the build period.

A member of the committee then expressed that he expected that this update would have provided more detail, he asked a number of questions on design, public and member consultation and raised concerns regarding public toilets. The officer provided reassurance to members that they would be kept informed throughout all stages of the project, he confirmed a PR & Communications campaign was due to be rolled out shortly. And all endeavours were being undertaken to ensure this project would be as good as the council can get it.

Discussion was then had regarding the SCF (Southern Construction framework) and the cost of using this framework, specifically how much did the 3% (OHPP) work out at, alongside had consideration been given to using Pagabo framework? The officer explained that currently the SCF was the most advantageous and preferred framework from a budgetary, programme and assured quality perspective. He explained that there was currently limited interest in the construction industry as it was extremely busy, this was therefore having an impact on achieving full contractor interest to tender due to resource issues, however expressions of interest were likely to be achieved through the SCF. He explained that there were a number of factors to consider during procurement and the process is not solely driven by cost. He confirmed he did not have the specific figures requested and would provide these at a later date

as designs were worked up and costed through RIBA 3 and via the procurement/tender process. As discussion was continuing the Chair expressed that he felt if members wanted to continue this discussion, then the meeting would need to move into private session. The Director of Growth reminded members at this point that of the two project updates they had received at this meeting, both were very different from the other, one was a regeneration project, the other a construction project therefore the frameworks used were needed to be suitable to the different needs of each project, the two projects were not the same.

The Chair advised members that this update was not about the rest of the building. Further attempts to discuss confidential elements of the project were made and the Chair took advice from the Group Head of Law & Governance and Monitoring Officer who agreed that the line of discussion would be required to move into exempt business. There was no appetite from members to move into exempt business and therefore the discussion was moved on.

It was asked if the officer could provide more detailed on the list of potential temporary sites being considered for Arun Arts. It was confirmed that officers would be in a better position in a few weeks' time to provide more detail on this once the location and nature of these had been agreed with Arun Arts and the programme had been confirmed.

The Chair, with the agreement of the committee invited a non-committee member to speak where he stated that the Littlehampton project had detailed excellent consultation for the public, however, there had been limited public consultation for the Regis Centre/Alexandra Theatre project.

Members then noted the update provided.

757. KEY PERFORMANCE INDICATORS 2022-2026 - QUARTER 3 PERFORMANCE REPORT FOR THE PERIOD 1 APRIL TO 31 DECEMBER 2022 [15 MINUTES]

The Group Head of Organisational Excellence advised members that the report detailed Quarter 3's performance. She advised that all the KPI's had been reported into all relevant committees and there were no questions for this committee to consider.

The Chair invited comment from members, where there were comments made regarding CP12, it was sad to see that there had been a slight increase in the number of missed refuse collections and this was unheard of. Were there any specific reasons as to why this had happened? It was confirmed that there had been some problems (breakdowns of vehicles) experienced, however the outlook was now much better that the new vehicles had been received. A further question was raised regarding CP42, occupied retail units in Bognor Regis, clarification was sought regarding the figures reported. The Director of Growth confirmed that these figures are reported on a 6 monthly basis. He confirmed that the 91% was calculated by a number of units occupied in a defined area and that figure was the result of the last check.

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758. WORK PROGRAMME [5 MINUTES]

The Committee were advised by the Chair that the first meeting of the committee in the new municipal year would receive its new work programme for the year 2023/24.

(The meeting concluded at 7.21 pm)