



# Public Document Pack

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Committee Manager - Jane Fulton (01903 737611)

11 February 2025

## **POLICY AND FINANCE COMMITTEE**

A meeting of the Policy and Finance Committee will be held in **Council Chamber & Blue Room, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF on Thursday 13 February 2025 at 6.00 pm** and you are requested to attend.

Members: Councillors Lury (Chair), Nash (Vice-Chair), Birch, Cooper, Greenway, Gunner, Pendleton and Stanley

### **AGENDA – SUPPLEMENT TWO – AGENDA ITEMS 10 AND 12**

10. COUNCIL REVENUE AND CAPITAL BUDGETS 2025/26 - (50 MINUTES) (Pages 1 - 12)

The recommendations from the Service Committees that Policy & Finance need to consider are attached.

12. CORPORATE SUPPORT COMMITTEE - 6 FEBRUARY 2025 - (10 MINUTES) (Pages 13 - 22)

The minutes from the meeting of the Corporate Support Committee held on 6 February 2025 are now attached to include the recommendation regarding the (Payroll/HR system).

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## **RECOMMENDATIONS TO THE POLICY & FINANCE COMMITTEE**

**13 FEBRUARY 2025**

### **AGENDA ITEM 10 – COUNCIL REVENUE AND CAPITAL BUDGETS 2025/26**

#### **RECOMMENDATIONS FROM SERVICE COMMITTEES**

The Committee is asked to approve the following recommendations from Service Committees as set out below:

#### **ECONOMY COMMITTEE – 23 JANUARY 2025**

##### 469. **COMMITTEE REVENUE AND CAPITAL BUDGETS 2025/26 – ECONOMY COMMITTEE**

The Group Head of Finance and Section 151 Officer presented the committee's revenue and capital budgets for inclusion in the council's 2025/26 budget which the committee was being asked to approve. The committee was alerted to a supplement which provided an updated report and additional information on some of the key changes set out in the table at paragraph 4.4. It was confirmed that no adjustments had been made to any of the figures contained within the report.

The Group Head of Finance and Section 151 Officer explained the key changes and confirmed that the revenue budget showed a net increase of £38k between 2024/25 and 2025/26. The investment of £280k in the asset management review project would produce high level business case option appraisals within the general fund portfolios generating proposals for further investigation. This was a key piece of work confirmed in the council's financial strategy approved by council last year and would develop an Asset Management Strategy which would generate and identify ideas for cost savings and opportunities for increased revenue income and capital receipts.

It was acknowledged that this was a prudent and cautious budget and that it was essential for the council to approach the budget in this way so that it could address the budget deficit.

Before inviting members to debate the item, the Chair requested members to propose and second the officer recommendation as detailed in the report. The recommendation was proposed by Councillor Stanley and seconded by Councillor Northeast.

In considering the report, there was interest in economic regeneration and what previous expenditure, or any new expenditure was proposed to be spent in supporting businesses in the district's high streets. The Group Head of Finance and Section 151 Officer confirmed that no growth had been identified in this budget other than the £235k investment in the asset management review project mentioned earlier.

In terms of what had been spent, the Director of Growth confirmed that the council had allocated some money received from the West Sussex Business Rates Pool towards supporting town centres and in particular Littlehampton given the challenges it was experiencing and that funding had also been directed to supporting the Littlehampton Town Centre Task Force being set up by this council in conjunction with Littlehampton Town Council.

Further discussion took place regarding the figures for economic regeneration in Appendix A and if further detail could be provided regarding the variances as there had been a reduction in budget from 2024/25 to 2025/26. The Group Head of Finance and Section 151 Officer confirmed that if members wished to receive expanded information, these would be provided in writing outside of the meeting. He also referred Members to paragraph 4.4 of the report which summarised the changes in the budget since 2024/25. Debate continued where it was claimed that it was proposed that the economic regeneration budget would be cut by 27% yet the property and estates budget would increase by 77%. An explanation was sought, and concern was expressed that the council needed to be doing more to support businesses in the district and at a time when many were struggling to pay business rates and as small business rate relief had been reduced by the Government.

In response, the Chair confirmed that it had been necessary to firstly correct the huge financial structural deficit to put the economy on a stable footing. A review of business rates would be undertaken by the Government next year and so it was hoped that small businesses to include retail and the hospitality sector would feel the advantage of this. The Committee was also reminded of the many regeneration projects that were progressing that would put more money into people's pockets which would help businesses to thrive. Other councillors then referred to the current regeneration projects stating that these often went over budget and were subject to delay and so perhaps it was not the right time to be reducing the economic regeneration budget as proposed unless a solid reason for doing so could be provided. A request was made for the increase in the property and estates budget to be explained in more detail.

The Director of Growth reminded the committee that it was important for members to understand the distinct difference between revenue and capital budgets and projects. Appendix A of the report set out the revenue situation and did indicate some changes which had been due to staffing changes within that service, and this had been reflected in the budget between last year and this year. Also, because of those changes, there had been some vacancies that were now being filled but had been vacant for a while. Turning to the queries raised regarding the property and estates management costs, members were again reminded that that service had borne some additional revenue costs in terms of work being undertaken with the accommodation review and the asset review. Those projects represented a significant proportion of the additional costs.

Following further discussion, the Committee

RESOLVED – That

(1) It agrees the 2025/26 Revenue Budget as set out in Appendix A;  
and

(2) It agrees the 2025/26 Capital Programme as set out in Appendix B.

The Committee also

RECOMMEND TO THE POLICY & FINANCE COMMITTEE

(3) The Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue Budget.

## **PLANNING POLICY COMMITTEE – 28 JANUARY 2025**

### **476. COMMITTEE REVENUE BUDGET 2025/26**

The Group Head of Finance and Section 151 Officer was invited by the Chair to present the report. The report recommended this Committee's General Fund Revenue Budget for 2025/26 to the Policy and Finance Committee on 13 February 2025, as part of the Council's overall revenue and capital budget. He drew members attention to Appendix A and the explanatory information at paragraphs 3.4 and 3.5. The net decrease in the 2024/25 budget had decreased by £210k mainly due to the anticipated increase in planning fee income. The Government had increased the Planning fee by £270. It was anticipated the number of planning applications received by the Council during 2025/26 would increase. It was also anticipated that the Council would be able to recover administration charges from Community Infrastructure Levy schemes resulting from additional activity in that area. Referring to Appendix A, although the Employees budget had increased for 2025/26, this had been offset by Services and Supplies, due to permanent staff now being in place.

The recommendations were proposed by Councillor Partridge and seconded by Councillor McAuliffe.

The Chair then invited questions and comments from members. In response to a question as to why the Premises budget had increased from zero to £3,000 in 2025/26. The Group Head of Finance and Section 151 Officer undertook to provide a written response.

The Committee

RESOLVED that it

- a) Agrees the 2025/26 Revenue Budget as set out in Appendix A; and

RECOMMENDS TO POLICY AND FINANCE COMMITTEE THAT

- b) the Revenue Budgets for this Committee be included in the Council's overall 2025/26 Revenue Budget.

### **ENVIRONMENT COMMITTEE – 30 JANUARY 2025**

#### **494. COMMITTEE REVENUE AND CAPITAL BUDGETS 2025/26**

[Councillor Worne was absent for discussion for part of this Item and abstained from voting on it]

Upon the invitation of the Chair, the Group Head of Finance and Section 151 Officer presented the report, which was for the Committee to consider and recommend its revenue and capital budgets for inclusion in the Council's 2025/26 budget. The agreed budgets would then form part of the overall revenue and capital budgets for 2025/26 to be considered at the Policy and Finance Committee on 13 February 2025, so that recommendations could be made to Full Council on 26 February 2025 regarding the budgets to be set and level of Council Tax for the District for 2025/26. He explained there was still a budget deficit, and the Council still had an obligation to try and resolve the structural budget deficit. He highlighted paragraphs 4.4 and 4.5 which showed the overall year on year budget increase was £345k, most of which was due to contract inflation, particularly on the waste contract which accounted for around £200k. There was also pay inflation. There was additional car parking income of £133k. The Capital Programme now included the waste management investment requirements around bins and vehicles, funded by DEFRA grants and borrowing. It was hoped the borrowing costs would be offset by contract savings in the future. The extended producer responsibility payment now also sat with the Council, which was currently not shown in the Committee's report, but was included within the overall budget report.

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

The Chair invited questions and debate and the following points were raised:

- It was asked how far the proposal went towards aiding the Council in the reduction of spending of reserves over the next five years. The Group Head of Finance and Section 151 Officer explained the Financial Strategy, approved by Policy and Finance and adopted by the Council over one year ago, indicated there were several work streams that would be undertaken with a view to closing the structural budget gap. One of those work streams was the waste contract, and it was hoped that savings would be made in the future. He also explained that technically the extended producer responsibility income should be shown in the Environment Committee budget, which would reduce the actual net budget requirement for 2025/26.
- Car parking fees had been increased in the last two years by 10% and 5% respectively, however the budget for car parks had been reduced, and it was asked why that was. The Group Head of Finance and Section 151 Officer explained there were other adjustments. There was £133k of additional income, but there was also contract inflation around the enforcement/cash collection contract. There would also be other lost car parking income in 2025/26 due to closures, for example the West Green car park.
- There was disappointment that the Bersted Brooks programme had been reprofiled again, and it was asked whether the value of the project had gone down, which was felt to be unclear as this had been combined under Parks and Greenspaces in the report. The Group Head of Finance and Section 151 Officer would provide an update to Members after the meeting. He would also separate Bersted Brooks from the Parks and Greenspaces in future reports.
- It was asked that the extended producer responsibility income be included in the Environment Committee budget. The Group Head of Finance and Section 151 Officer confirmed that he would ensure a virement would be presented to Members for approval to transfer the extended producer responsibility budget for 2025/26 financial year.
- One Member stated he was disappointed that there would be reduced spending on play areas and that Disabled Facilities Grants would be frozen. The Group Head of Finance and Section 151 Officer believed Disabled Facilities Grants came from West Sussex County Council, and the amount received was not determined by ADC.
- It was asked why there was 30% more spending on Environmental Health. The Group Head of Finance and Section 151 Officer would provide an update to Members after the meeting.

The Committee

RESOLVED that

(a) The 2025/26 Revenue Budget as set out in Appendix A, be agreed;

(b) The 2025/26 Capital Programme as set out in Appendix B, be agreed; and

RECOMMENDS TO THE POLICY AND FINANCE COMMITTEE that

(c) The Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue and Capital Budget.

### **HOUSING & WELLBEING COMMITTEE – 4 FEBRUARY 2025**

#### **505. COMMITTEE GENERAL FUND REVENUE AND CAPITAL BUDGETS 2025/26**

The Group Head of Finance and Section 151 Officer was invited by the Chair to present the report, which asked the Committee to consider and recommend its revenue and capital budgets for inclusion in the Council's 2025/26 budget. The agreed budgets will then form part of the overall revenue and capital budgets for 2025/26 to be considered at the Policy and Finance Committee on 13 February 2025, so that recommendations can be made to Full Council on 26 February 2025 regarding the budgets to be set and level of Council Tax for the District for 2025/26. The table at paragraph 4.4 set out the proposed changes and showed a net revenue budget reduction for 2025/26 of £216k compared to the previous year. Referring to the Increase in Homelessness/Temporary Accommodation Expenditure, it was estimated that a further £643k would be required to deal with the increase in homelessness, which followed significant increases in previous years. However, the Council has seen a significant increase in the Homelessness Prevention Grant funding for 2025/26 and as a result will receive an additional £812k compared to 2024/25. This followed the announcement of a further £660k funding as part of the Local Government Finance Settlement announced on 3 February 2025, which was welcomed. He also referred to the explanatory information at paragraph 4.7 concerning the Supported Housing Accommodation costs and advised that members may recall the increase in the 2024/25 base budget by £500k the previous year following a sharp increase in spending. Whilst the proposed increase for 2025/26 was much lower, at £70k, there remained a level of concern about costs increases.

The recommendations were proposed by Councillor Butcher and seconded by Councillor Batley.

The Chair invited members to make comment or ask any questions. In response to a question concerning the increase in Leisure Management fee income at paragraph 4.4, the Group Head of Finance and Section 151 Officer advised he would provide details of the total fee received outside of the meeting.

The Committee

RESOLVED

- (a) To agree the 2025/26 Revenue Budget as set out in Appendix A;  
and



## RECOMMENDS TO POLICY AND FINANCE COMMITTEE THAT

- (b) that the Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue Budget.

### 506. HOUSING REVENUE ACCOUNT BUDGETS 2025/26

The Group Head of Finance and Section 151 Officer was invited by the Chair to present the report, which set out the 2025/26 Housing Revenue Account (HRA) revenue and capital budgets for inclusion in the Council's 2025/26 budget and rents and service charges for 2025/26. The agreed budgets will be recommended for submission to the Policy and Finance Committee on 13 February 2025 so recommendations can be made to Full Council on 26 February 2025.

He explained that all housing and garage rents, and existing service charges were proposed to be increased by 2.7%, the maximum amount that the Housing Regulator would allow, and consisted of a CPI increase of 1.7% plus an additional 1% on top. Members were also asked to approve the implementation of the new service charges. He explained that whilst he understood that members may not wish to increase tenants' rents in light of the cost-of-living crisis, he pointed out the impact on the HRA's financial position following Government imposed rent freezes between 2016 and 2020. Had the Council been able to increase its rents by 1% per annum during those years that would have made a significant impact to the HRA reserve balance of about £1.4m. If members chose to freeze rents there would not be an opportunity to recover from the loss of income in future years and members were urged to accept the recommendations in the report. The HRA budget proposed a surplus of approximately £660k during 2025/26 taking the HRA balance to £1.5m, which was still below the £2m minimum balance. Referring to Movements at paragraph 4.2 there had been some realignment between the Service and Management costs and the Repairs and Maintenance costs, largely driven by the insourcing of the Repairs and Maintenance contract.

Moving to the Capital budget, one of the recommendations was to re-provision the amount of money in the Housing Improvement Works budget. This would be dealt with when the outcome of the Warm Homes Social Housing funding bid was considered by the Committee and the required adjustments to the budget made at that time.

The recommendations were proposed by Councillor Butcher and seconded by Councillor Wiltshire.

The Chair invited questions and comments from members. A member asked if the computer software and licences budget of £134k, which seemed high, were reoccurring costs. The Group Head of Housing, Wellbeing and Communities advised he would provide an answer outside of the meeting to the Committee. In response to a question concerning the introduction of de-pooling charges, he explained that it was expected that 74% of tenants would not be impacted by the increase in charges as the full cost would be met through Housing Benefit and Universal Credit. In terms of affordability, a cap of £10 had been applied to the weekly service charge and 10 % of the total service charge revenue will be set aside for a hardship fund for individual cases. This did not apply to garage rents, as they did not have any utilities. The Group Head of Finance and Section 151 Officer clarified that the 2023-2024 rent increase was 7.7%.

#### The Committee

RECOMMENDS TO THE POLICY AND FINANCE COMMITTEE for inclusion in the overall Budget report on 13 February 2025:

- (a) the 2025/26 HRA Revenue Budget set out in Appendix A;
- (b) that HRA rents for 2025/26 are increased by 2.7%, to an average rent of £115.64 per week in accordance with the Regulator of Social Housing guidance (Rent Standard 2020 and Limit on annual rent increases 2025-26 publications);
- (c) that HRA garage rents are increased by 2.7% to an average rent of £16.04 per week (excluding VAT);
- (d) that existing HRA sheltered service charges for communal heating, lighting and water/sewerage charges be increased by 2.7% plus additional increases on a scheme-by-scheme basis to cover retrospective increases in utility costs, with the aim of balancing costs with income;
- (e) that new communal service charges are introduced from 1 April 2025 as agreed in the Service Charge Policy and De-pooling of Charges report to Housing and Wellbeing Committee on the 18 June 2024. The new de-pooled charges will include grounds maintenance, communal cleaning, window cleaning, door entry systems, fire alarm systems maintenance, lift maintenance, TV aerials, and emergency lighting tests; and
- (f) the 2025/26 HRA Capital Programme set out in Appendix B, including the re-provisioning of £2.2m of the HRA Housing improvement works to the Warm Homes programme should the 2025/26 bid for the Warm Homes Grant (Social Housing Funding Phase 3) be successful.

- (g) and notes that the HRA 2025/26 Budget will provide a surplus of £0.66m which will increase HRA balances to £1.55m bringing them closer to the Council's set minimum level of HRA balances of £2 million.

**CORPORATE SUPPORT COMMITTEE – 6 FEBRUARY 2025**

518. **COMMITTEE REVENUE AND CAPITAL BUDGETS 2025/26**

*(Councillor Jacky Pendleton arrived at the meeting at 18:05pm)*

The Group Head of Finance and Section 151 Officer presented the committee's revenue and capital budgets for inclusion in the council's 2025/26 budget which the committee was being asked to approve. He confirmed that the figures had been summarised in Appendices A & B which were attached to the report and that there was an additional recommendation for members to consider which was to grant delegation to the council's Group Head of Finance and Section 151 Officer authority to extend the finances systems contract for a further 5 years, the detail for this had been detailed in section 4.8 of the report.

The Group Head of Finance and Section 151 Officer explained the key changes and confirmed that the revenue budget showed a net increase of £820k from 2024/25 and the reasons had been outlined in sections 4.4. to 4.8 of the report. He then highlighted some of the reasons for the increase explaining that the staffing realignment was due to a departmental restructure within the Finance Group which resulted in an alignment of £211k of staffing costs and the cost to this committee was offset by a corresponding cost reduction to the Housing and Wellbeing Committee. He explained that a recharge to the Housing Revenue Account (HRA) for the costs of certain administrative functions and officer time, had been reduced by £177k, that this was a recalibration of budgets across the council rather than an additional cost. Having reviewed the costs to the HRA, it was important to ensure that the costs were fair, legal and stood up to external audit scrutiny. Moving on to contract inflation he advised this was mainly due to the variety of IT contracts the committee had which included maintenance of software, servers, cloud-based back-ups and firewalls. In addressing the cost of £80k detailed at section 4.8 he confirmed that this was for the implementation and upgrade of the existing finance system. He explained that the £70k for security costs at the Civic Centre and Bognor Regis Town Hall, this was an essential service to ensure the safety and wellbeing of staff and visitors, he confirmed that the budget was not included in the 2024/25 base budget, but this was now in the 2025/26 budget. He confirmed the centralisation of training budgets was to ensure that Human Resources had a better way of managing corporate training needs across the council. Finally, he confirmed that there was one new capital scheme detailed, however he recommended to members that should there be any questions on this, it may be advisable to wait until item 7 on agenda.

The Vice-Chair requested a proposer and seconder for the recommendations, the recommendations were proposed by Councillor Bower and seconded by Councillor Turner.

In opening the debate, the Vice-Chair invited members to ask any questions they had. Councillor Turner was then invited to address the committee where he advised that he had submitted 2 questions in writing in advance of the meeting of which he would now ask for the officer to answer for members. His first question related to page 11, section 22.1 (b) and para 4.8, could the Section 151 Officer confirm that were sufficient break clauses in the proposed renewal contracts for the Finance System over 5 years to cope with any future devolution or authority reorganisation driven changes. The Group Head of Finance and Section 151 Officer was invited to respond to the question raised, where he first thanked Councillor Turner for providing his questions in advance of the meeting. In responding to the question, he replied that officers had negotiated such clauses, but the council was not in a strong bargaining position because it was a small authority, and the Suppliers know about that the forthcoming Local Government Reorganisation could tie its hands. However, the team had managed to negotiate a significant discount over the contract term and have also negotiated a 6-month termination notice period, should the council need to give notice during the contract term at any point.

Councillor Turner then asked his second question which related to page 12, section 4.4 and page 16 Appendix A, Line 418. The increase from £419k to £727k was in part explained by the £211K change at para 4.4 but what had caused the remaining £97k of increase? The Group Head of Finance and Section 151 Officer advised that the £211k increase referred to in the table in paragraph 4.4 and paragraph 4.5 related to Financial Services changes explained earlier. The increase in the Human Resources budget from £419k to £727k represented a change of £308k and related mainly to the transfer of budgets from other services, including the payroll team (£114k) which had moved to HR and staff training budgets (£98k) being centralised from across the Council to HR. The remaining £96k relates to additional HR software costs (£14k) and pay costs (£82k), including the pay awards.

As there were no other questions be asked or comments to be made, the Vice-Chair went to the vote whereby.

The Committee

RESOLVED

- (a) it agreed the 2025/26 Revenue Budget as set out in Appendix A;
- (b) it granted authority to the Group Head of Finance & Section 151 Officer to extend the contract for the renewal and upgrade of the Council's finance system for a further 5 + 5 years if bids come within budget as set out in paragraph 4.8;

(c) it agreed the 2025/26 Capital Programme as set out in Appendix B subject to this Committee approving the Procurement of the Human Resources and Payroll System project reported elsewhere on this agenda; and Page 11 Agenda Item 6; and

(d) **Recommends to the Policy and Finance Committee** that the Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue and Capital Budget.

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# Public Document Pack Agenda Item 12

Subject to approval at the next Corporate Support Committee meeting

435

## CORPORATE SUPPORT COMMITTEE

6 February 2025 at 6.00 pm

Present: Councillors Tandy (Vice-Chair, in the Chair), Bower, Jones, Lawrence, Lloyd, O'Neill, Pendleton (Substitute for English), Turner and Warr

Councillor Mrs Bower were also in attendance for all or part of the meeting.

### 511. WELCOME

The Vice-Chair in the Chair welcomed Councillors and Officers to the meeting.

### 512. COUNCILLOR JIM BROOKS

The Vice-Chair stated that this was the first committee meeting to be held since the late Councillor Brooks had passed away that he had been a member of.

He confirmed that on Monday 27 January 2025 the council was informed that Councillor Brooks had sadly passed away on Sunday 26 January 2025. He confirmed that not only had Councillor Brooks been a member of this Committee. He had also been a District Councillor serving the residents of Marine Ward since 2007 and had been Chair of Arun District Council for the 2021/22 civic year. Councillor Brooks also sat on Bognor Regis Town Council for many years and was well known and respected by many.

The Vice-Chair asked those present to extend thoughts and prayers to Councillor Brooks family and friends at this time and advised members that Councillor Brooks passing would be announced and acknowledged at the next Full Council meeting due to be held on 26 February 2025, however if any members wanted to make a tribute to Councillor Brooks tonight they could.

The Committee then conducted a minute's silence to his memory.

### 513. APOLOGIES

The Committee Manager confirmed that apologies had been received from Councillors English who was being substituted by Councillor Pendleton and Oppler.

She also confirmed that Councillor Pendleton's arrival at the meeting was expected imminently.

Corporate Support Committee - 6.02.25

514. DECLARATIONS OF INTEREST

There were no declarations of interest made.

515. MINUTES

The minutes of the previous meeting held on the 10 October 2024 were approved by the Committee and signed by the Vice-Chair in the Chair.

516. 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

*(Councillor Jones arrived at the meeting at 18:04pm)*

There were no urgent items presented at the meeting.

517. PUBLIC QUESTION TIME

The Vice-Chair confirmed that there were no Public Questions had been received for the meeting.

518. COMMITTEE REVENUE AND CAPITAL BUDGETS 2025/26

*(Councillor Jacky Pendleton arrived at the meeting at 18:05pm)*

The Group Head of Finance and Section 151 Officer presented the committee's revenue and capital budgets for inclusion in the council's 2025/26 budget which the committee was being asked to approve. He confirmed that the figures had been summarised in Appendices A & B which were attached to the report and that there was an additional recommendation for members to consider which was to grant delegation to the council's Group Head of Finance and Section 151 Officer authority to extend the finances systems contract for a further 5 years, the detail for this had been detailed in section 4.8 of the report.

The Group Head of Finance and Section 151 Officer explained the key changes and confirmed that the revenue budget showed a net increase of £820k from 2024/25 and the reasons had been outlined in sections 4.4. to 4.8 of the report. He then highlighted some of the reasons for the increase explaining that the staffing realignment was due to a departmental restructure within the Finance Group which resulted in an alignment of £211k of staffing costs and the cost to this committee was offset by a corresponding cost reduction to the Housing and Wellbeing Committee. He explained that a recharge to the Housing Revenue Account (HRA) for the costs of certain administrative functions and officer time, had been reduced by £177k, that this was a recalibration of budgets across the council rather than an additional cost. Having reviewed the costs to the HRA, it was important to ensure that the costs were fair, legal



and stood up to external audit scrutiny. Moving on to contract inflation he advised this was mainly due to the variety of IT contracts the committee had which included maintenance of software, servers, cloud-based back-ups and firewalls. In addressing the cost of £80k detailed at section 4.8 he confirmed that this was for the implementation and upgrade of the existing finance system. He explained that the £70k for security costs at the Civic Centre and Bognor Regis Town Hall, this was an essential service to ensure the safety and wellbeing of staff and visitors, he confirmed that the budget was not included in the 2024/25 base budget, but this was now in the 2025/26 budget. He confirmed the centralisation of training budgets was to ensure that Human Resources had a better way of managing corporate training needs across the council. Finally, he confirmed that there was one new capital scheme detailed, however he recommended to members that should there be any questions on this, it may be advisable to wait until item 7 on agenda.

The Vice-Chair requested a proposer and seconder for the recommendations, the recommendations were proposed by Councillor Bower and seconded by Councillor Turner.

In opening the debate, the Vice-Chair invited members to ask any questions they had. Councillor Turner was then invited to address the committee where he advised that he had submitted 2 questions in writing in advance of the meeting of which he would now ask for the officer to answer for members. His first question related to page 11, section 22.1 (b) and para 4.8, could the Section 151 Officer confirm that were sufficient break clauses in the proposed renewal contracts for the Finance System over 5 years to cope with any future devolution or authority reorganisation driven changes. The Group Head of Finance and Section 151 Officer was invited to respond to the question raised, where he first thanked Councillor Turner for providing his questions in advance of the meeting. In responding to the question, he replied that officers had negotiated such clauses, but the council was not in a strong bargaining position because it was a small authority, and the Suppliers know about that the forthcoming Local Government Reorganisation could tie its hands. However, the team had managed to negotiate a significant discount over the contract term and have also negotiated a 6-month termination notice period, should the council need to give notice during the contract term at any point.

Councillor Turner then asked his second question which related to page 12, section 4.4 and page 16 Appendix A, Line 418. The increase from £419k to £727k was in part explained by the £211K change at para 4.4 but what had caused the remaining £97k of increase? The Group Head of Finance and Section 151 Officer advised that the £211k increase referred to in the table in paragraph 4.4 and paragraph 4.5 related to Financial Services changes explained earlier. The increase in the Human Resources budget from £419k to £727k represented a change of £308k and related mainly to the transfer of budgets from other services, including the payroll team (£114k) which had moved to HR and staff training budgets (£98k) being centralised from across the Council to HR. The remaining £96k relates to additional HR software costs (£14k) and pay costs (£82k), including the pay awards.

Corporate Support Committee - 6.02.25

As there were no other questions be asked or comments to be made, the Vice-Chair went to the vote whereby.

The Committee

RESOLVED

- (a) it agreed the 2025/26 Revenue Budget as set out in Appendix A;
- (b) it granted authority to the Group Head of Finance & Section 151 Officer to extend the contract for the renewal and upgrade of the Council's finance system for a further 5 + 5 years if bids come within budget as set out in paragraph 4.8;
- (c) it agreed the 2025/26 Capital Programme as set out in Appendix B subject to this Committee approving the Procurement of the Human Resources and Payroll System project reported elsewhere on this agenda; and Page 11 Agenda Item 6; and
- (d) **Recommends to the Policy and Finance Committee** that the Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue and Capital Budget.

519. PROCUREMENT OF HUMAN RESOURCES AND PAYROLL SYSTEM

The Vice-Chair advised members that there had been an IT error at publication of the agenda that had impacted the numbering of the report from section 4, however this should not impede any member debate or discussion. He also reminded members that the report contained an exempt appendix and members needed to be mindful of discussing any information contained within the document, if there was a need to move into exempt business, members could do this.

Upon invitation by the Vice-Chair the Group Head of Operational Excellence advised members that Karen Pearce, HR Manager and Paul Symes, Head of Technology and Digital were virtually in attendance at the meeting, in case members had any technical questions to answer. In presenting the report she confirmed that the current HR and Payroll system would be 'end of life' in December 2026, the supplier was withdrawing it from the market which meant there was no possibility of extending the contract. In order to continue to pay member allowances and staff salaries the council needed a new system in place well in advance of this and it was officer intention to go live with a new system in April 2026.

She explained that there were comments detailed at section 3.2 and 6 in the report that covered alternatives to procuring the councils own system at this stage, given the Local Government Reorganisation. She confirmed that officers had carried out research into a number of other Local Authorities and had concluded that there would be no advantage in trying to share a HR and Payroll system at this time, but

consideration needed to be given to the length of contract. In addition to the current system coming to 'end of life' it also used a number of older technologies and section 4 of the report detailed the benefits of a modern and fully integrated new system that would provide the council with, better reporting throughout the organisation in particular for line managers, enhanced integrated with the councils finance system, improved self-service for staff and managers and a cloud based system would reduce risk and enhance the councils cyber-security resilience.

She advised that the project would be in two phases, the first being procurement up to contract signature which was expected to be April 2025. Award of the contract through a compliant framework, she confirmed that this work was fully funded with 2024/25 budget and officers were about to start the formal procurement process with Hampshire County Council who were the council's procurement service. Phase two would see implementation of the new system, with a 'go live' date currently target to be in April 2026. She confirmed that this was detailed in the exempt business case which was inclusive of the cost of system and a project risk register.

The Vice-Chair requested a proposer and seconder for the recommendations, which were proposed by Councillor O'Neill and seconded by Councillor Turner.

In opening the debate, the Vice-Chair invited members to ask any questions they had. Councillor Turner was invited to comment where he stated that since the report had been written it had been confirmed that West Sussex had been included in the priority programme for the Local Government Reorganisation, therefore could members have assurance that officers were looking at break clauses and all contract protections. The Group Head of Organisational Excellence confirmed that his concerns were valid, and discussions were ongoing since yesterday's announcement. She advised that the council was working with Hampshire County Council Procurement service, and a framework would be strictly followed.

The Vice-Chair echoed the Group Head of Organisational Excellence comments relating to ongoing discussions, stating there would be many more to come as the reorganisation progressed. He then invited Councillor Pendleton to address the committee where she asked if as part of the procurement process were officers looking at other providers that could take the council through the next couple of years as well as looking at alternatives. The Group head of Organisational Excellence in response explained that officers were doing this and they were confident that the council was following the only route it could at this time. Councillor Pendleton then expressed her deep concern for spending capital at this time, she stated it was potentially unwise and needed to be challenged thoroughly.

The Vice-Chair then invited the Group Head of Law and Governance and Monitoring Officer to respond to the comments made where he explained to members that these were conversations were had weekly with the Corporate Leadership Team (CLT) at its meetings. At some point in the process the council would be informed by the Government to restrict its spend, however, with anything like this CLT were testing colleagues around the necessity, and this was system procurement was a necessity as well as testing for all alternative options that may be available. He reassured members

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that this was being taken very seriously but the reality was the functions of the authority (including back office functions) needed to continue and would need to continue into any new unitary authority.

As there were no other question the Vice-Chair went to the vote on the recommendations.

The Committee

RESOLVED that

- a. it **requests that the Policy and Finance Committee** approves the scheme and recommends to Full Council its inclusion in the Council's capital programme; and
- b. it granted authority to the Group Head of Organisational Development to award the contract if bids come within budget, subject to approval of the scheme by Full Council.

520. Q3 PERFORMANCE REPORT FOR THE KEY PERFORMANCE INDICATORS (KPI'S) WHICH FORM PART OF THE COUNCIL'S VISION 2022-2026.

The Group Head of Operational Excellence advised the report detailed the performance results for quarter 3 and as members were all familiar with the report she would take any questions.

The Vice-Chair then reminded members that all of the indicators were now included within the appendix, however members were reminded that they should focus on the indicators specifically for this committee, however if there were any questions for other indicators, they email those in outside of the meeting to be answered. He then invited members to ask any questions or make any comments.

Councillor Turner stated that he wanted his approval noted for the achievement made on CP22 that reports into the Environment Committee. Councillor Pendleton was then invited to speak where she raised concern with CP4 and wanted to understand the rationale for the increasing figures for sickness absence. Specifically, was this down to seasonal illness or was there another reason contributing to the indicators increase. The Group Head of Organisational Excellence advised that she did not have the specific breakdown of detail to hand at the meeting, but she could circulate this information outside of the meeting, however she could confirm that there had been an increase in 'stress' related absences. Councillor Pendleton then requested that she would like to see an analysis of the figures with officer opinion on what can be done to offset any further increase in stress related absence as she believed there could be further risk of increase now and what assistance and support could be considered.

The Vice-Chair then requested a proposer and seconder for the recommendation, Councillor Lloyd then proposed, and Councillor Lawrence seconded the recommendation.

The Committee

RESOLVED

2.1 it noted the contents of this report and provided any questions or comments on the indicators relevant to this Committee to the Policy and Finance Committee on 13 March 2025.

#### 521. CORPORATE COMPLAINTS

The Corporate Complaints Manager presented the report where she outlined the report covered from October 2024 to December 2024. During this period the council had 90 Stage 1 complaints, and 29 Stage 2 complaints of those complaints received 81% were related to Housing, 5 decisions were received from the Housing Ombudsman also. She then drew members attention to the date the complaints were first received which was now detailed in the report at section 4.7. She highlighted that 2 of these had been received in 2022 with another 2 being received in 2023 and 1 received in 2024, this showed that the complaints via the ombudsman stage take a long time to come through to the council.

The Vice-Chair then invited members to ask any questions or make any comments where a question was raised relating to the increase seen for Housing Repairs and what was the reason for this. The Corporate Complaints Manager advised that that was a specific question for Housing to answer and this could be provided outside of the meeting for members.

As there were no other questions or comments, the Committee noted the report.

#### 522. REVIEW OF ELECTIONS HELD ON 2 MAY AND 4 JULY 2024

The Electoral Services Manager presented the report where she advised that the elections held in 2024 were the Police and Crime Commissioner (PCC) on 2 May 2024 and the Snap General Election on 4 July 2024. Despite the short timescales around the Snap General Election all process were completed successfully and on time and very few complaints were received. She explained that due to the issues that had been seen with electors Postal Packs being received via delivery from Royal Mail it was decided that the team would hand deliver these across the District, this was a much more reliable way for electors to receive their votes in a timely manner as well as being cost effective for the council, this was also carried out for the Bognor Regis and Littlehampton constituency for the Snap General Election.

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For both of these elections the team trialled different count venues, for the PCC election the Civic Centre, Committee Suite as a verification and count venue, which worked very well, so for more simple and lower-turnout elections this venue could be used as a contingency venue in the future. For the Snap General Election, the Littlehampton Wave was trialled as an alternative to the Arun Leisure Centre. This again worked well and lots of positive feedback was received for use of this venue, so the council is likely to use this venue again. Both counts were concluded successfully and within the expected timeframes.

She stated that communication was key for both elections, specifically for the important deadlines that were required to be met, voter ID which was used again, and the introduction of the new postal pack return procedures from the Elections Act 2022. She advised that staffing was a struggle for the Snap General Election due to the short notice and timing of the Poll, as a lot of staff were away on holiday or otherwise unavailable. A decision had now been made to reduce the number of Poll Clerks used in future elections to aid with this issue but also due to the use of iPad system that is now used meant that less staff were now required, however there would be an increase in use of more part-time Poll Clerks for busier Polling Stations. The use of iPads also allowed for better recording of turnout figures and patterns that would be used for future elections.

The recommendation was proposed by Councillor Bower and seconded by Councillor O'Neill.

Members were then invited to make any comments and or ask any questions by the Vice-Chair, where it was asked if there had been any issues relating to Voter ID with both of these elections in comparison to when it was first introduced. The Electoral Services Manager confirmed that the number of issues experienced with Voter ID had decreased and this was due to the information being communicated to electors, there were always a few electors recorded as having turned up without their ID but the majority of these electors return to complete their vote.

The Vice-Chair stated that any election was a huge undertaking across the organisation and the fact that there were two completed in such a short amount of time this was testament to how well the council can do. He then invited the Group Head of Law and Governance and Monitoring Officer to address the committee, where he explained that the level of work undertaken last year, along with the timescales the team had to work to, on top of the post-election work that was required to be completed after every election, in this instance the PCC election, in addition to staff cancelling holidays and other arrangements to ensure both elections were delivered successfully it was important that he acknowledged and thanked publicly the Elections Team and the wider elections staff's hard work and flexibility that was needed during this time.

As there were no other questions or comments, the Vice-Chair moved to the vote.

The Committee

**RESOLVED**

2.1 it reviewed the information presented and made comments to the Returning Officer.

**523. REVIEW OF POLLING DISTRICT, POLLING PLACES AND POLLING STATIONS**

The Electoral Services Manager presented the report where she advised that it was a requirement for this review to be completed every 5 years, she confirmed that the team completed an evaluation of places and stations each year after each election to ensure that places are located in areas that are most convenient to electors as well as accessible to all, the visits and subsequent reports then feed into the larger review. She confirmed that electors, members and staff are asked for feedback after each election as part of the review and fully explore any issues or recommendations that are received. She advised that the schedule of Polling Districts, Places and Stations at the end of the report, that there had been minimal changes suggested, those changes that had been included were due to loss of venues or introduction of new community buildings or where the team has found another venue which would result in a better location for electors.

The recommendations were proposed by Councillor Bower and seconded by Councillor Turner.

The Vice-Chair then invited members to ask questions or make any comments where it was asked, how much was cost an issue when, the council was forced to change a Polling Station, was there a budget, template and or guidelines to work within. The Electoral Services Manager advised that when alternatives were considered, it team do ensure that these are cost effective to the council. There was a budget for each election held and the team would try to stick within the budget, however there was no set budget per Polling Station.

As there were no other questions or comments the Vice-Chair then moved to the vote.

The Committee

**RECOMMEND TO FULL COUNCIL that**

2.1 the Returning Officer's report on the 2023/24 review of Polling Districts, Polling Places and Polling Stations for the Arun District, as set out in Appendix 1, be agreed; and

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2.2 the use of the polling stations listed in Appendix 1 be agreed for future elections including the West Sussex County Council Elections scheduled to be held on 1 May 2025.

524. OUTSIDE BODIES UPDATE

The Vice-Chair confirmed that there were no updates to be received for the meeting.

525. WORK PROGRAMME

The Committees Work Programme was noted by members.

(The meeting concluded at 6.42 pm)