

CORPORATE POLICY AND PERFORMANCE COMMITTEE

14 October 2021 at 6.00 pm

Present: Councillors Gunner (Chair), Pendleton (Vice-Chair), Cooper, Dixon, Roberts, Stanley and Dr Walsh

Councillor Thurston was in attendance at the meeting.

385. WELCOME

The Chair welcomed Members and Officers to the meeting of the Corporate Policy & Performance Committee.

386. APOLOGIES FOR ABSENCE

Apologies for Absence had been received from Councillors Oppler and Seex.

387. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

388. MINUTES

The minutes from the meeting of the Committee held on 1 September 2021 were approved by the Committee as a correct record and were signed by the Chair.

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

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

390. PUBLIC QUESTION TIME

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

391. DRAFT PUBLIC CONSULTATION DOCUMENT - COUNCIL VISION 2022-2026

The Group Head of Policy presented a report updating the Committee on the preparation of the Council's new Vision document which set the framework for the full Corporate Plan covering the period 2022-26. Following a series of themed workshops held over the summer, attended by 37 Councillors, the Vision document had been developed reflecting the views of Members that had participated and it set out what should be the Council's high-level priorities for 2022-26, prior to a one month consultation period which would commence soon, subject to the Committee's approval.

Members, staff and external partners would also have a further opportunity to comment. At this meeting Members were being asked to approve the key content of this document to allow the public consultation to proceed.

Members then took part in a full debate on the item where various points were raised:

- Whether Members would have the opportunity to see the finished document before it went out for public consultation. It was explained that it was necessary to agree the content first before finalising the look of the document. The Committee would be given the opportunity to see this before consultation commenced.
- Would a more public facing document be designed for the purpose of consultation – it was essential for it to be appealing, inviting and understandable. The Chair provided reassurance that work had already commenced producing a final version
- Digital access and whether comment could be made online
- It was pointed out that on 'Improving the Wellbeing of Arun' (5) the word 'services' had been missed
- On the 'Delivering the right homes in the right places' section - the need to maintain, rather than just provide, social housing to a high standard and the absence of this – could this be rectified? The Committee was happy to have this included as how this would happen.
- Whether within the 'Improving the wellbeing of Arun' section, if reference should be made, as an overall aim, to the 'arts' in Bognor Regis and Littlehampton which were essential to the physical and mental health of residents.
- The need for reference to be made to empty homes and the utilisation of empty and vacant homes for a good proportion of the year – this was a priority and should be included as an overall aim under 'Delivering the right homes in the right places'.
- There needed to be more specific reference to creating a digital sector, an important aspiration for the District, in meeting the need to diversify the economy especially after the experiences of the Pandemic
- Within the first overall aim [Work with other agencies and services to focus on Arun's areas of greatest inequality and to encourage healthy and active lifestyles] of the 'Improving the Wellbeing of Arun' section, whether 'inequality' should be replaced by 'deprivation' or whether both should appear in the document
- Using 'ensure' rather than 'working to' in 'how' sections as the latter implied a more leisurely approach and some statements needed strengthening
- The first overall aim of the 'Supporting our environment to support us' section, and whether the wording could be shifted around to change the sentiment to reflect the Council taking bold action rather than seeking justification

Having received responses to the queries raised by the Group Head of Policy, the Chair confirmed that he supported them and that they should be included in the revised draft to be circulated again to the Committee prior to public consultation commencing.

Councillor Pendleton then proposed the recommendations, which were seconded by Councillor Dixon.

The Committee

RESOLVED - That

- (1) The content of the public consultation document as set out in Appendix 1 of the report, including the suggestions made at the meeting, be agreed;
- (2) Delegated authority be given to the Group Head of Policy to agree the final document and covering letter in consultation with the Chair of the Corporate Policy & Performance Committee; and
- (3) Delegated authority be given to the Group Head of Policy to carry out the consultation during Autumn 2021.

392. CARBON REDUCTION STRATEGY

The Climate Change & Sustainability Manager presented a report which reminded Members that back in January 2020, the Council had declared a Climate Emergency and in response to this had set an objective to achieve carbon neutrality by 2030. In progressing this work, a carbon audit had been undertaken by consultants, CO2 Analysis, to analyse the Council's carbon emissions and so that a Strategy could be proposed to achieve the Council's objectives and to steer the Council in the direction to achieve carbon neutrality by 2030. The work undertaken had included a detailed assessment of the Council's Scope 1 (emissions directly attributed to burning of fuels), Scope 2 (indirect emissions from the generation of purchased electricity and directly controlled by the Council) and Scope 3 emissions (from the activities of the Council but occurring from sources not owned or controlled by the Council) as well as audits of the Council's corporate buildings and housing stock to calculate the Council's carbon footprint.

It was explained that no emissions generated from the Housing portfolio had been included within the audit undertaken. Over the coming months more detailed analysis would be undertaken to inform the Council's strategic approach and to provide a roadmap on how such targets would be achieved.

A detailed action plan was in the process of being developed which would showcase what the Council needed to and when and it was confirmed that this would be brought to the Committee in February 2022 for approval.

The Chair also welcomed consultants from CO2 Analysis who had joined the meeting virtually to respond to questions raised by the Committee.

A summary of the debate is set out below:

- Much praise was given for the report which had been well presented and easy to understand, whilst providing a confident and realistic first step approach
- What the Council could do to actively influence partners to be more ambitious in their carbon net zero targets, especially when most of the Council's emissions were through its partners in the supply chain. Members were reassured that the Council was in a good place with its work as it was pushing hard to address emissions in Scope 3, many other local authorities were only addressing Scopes 1 and 2.
- Whether the £200,000 figure in Recommendation (b) was sufficient? It was explained that this figure would allow the Council to bring in the specialist advice that it needed. The Action Plan would then identify any further funding required. Recommendation (b) provided a healthy starting point.
- How could the Council influence the partners that it worked with such as Freedom Leisure who had a net zero carbon target of 2050 rather than 2030? Councillors were reassured that Freedom Leisure was very keen to reduce its carbon footprint as this made good business sense. The Council would work with them, and other buildings to improve the fabric and the technology to heat these buildings. In terms of encouraging the rest of the Council's supply chain, the Council would work through Procurement Policies, to ensure that carbon emissions were being addressed.
- The employee commute was of interest, especially now that employees were returning to the office following the pandemic and having worked from home. The idea of introducing more imaginative recruitment packages was mentioned to help reduce the Council's carbon footprint, for example lower levels of salary for remote workers to avoid commuting whilst providing opportunities to enhance the work life balance. The Director of Services confirmed that a number of staff employed during the pandemic had been recruited using this type of model.
 - The ambition to be net zero by 2050 - should this be brought forward by 5-10 years as a target to inject a certain urgency, and as the Council was delivering on its 2030 target earlier than asked to do. In response, the Director of Services confirmed that this related to the social housing stock which would be tackled using a two stage approach. The first stage would involve increasing the energy efficiency of all social housing using a fabric first approach and ensuring that appropriate heating systems were installed. It was likely that there would be funding available for this provided by the Government. The second stage would be looking to undertake further upgrades to properties to meet Net Zero carbon standards. The Council was in the early stages of this work having completed a piece of work addressing what needed to be done with social housing and was looking at an application to the Government's Social Housing Decarbonisation Fund. This

would allow the Council to assess what it could realistically achieve and when. Further updates would be provided to the Committee.

- Why was there an emphasis to reduce single-use plastic, this was not understood? It was explained that large emissions were generated from producing them and then again in discarding them causing pollution to wildlife and habitats.
- Would the Strategy be circulated to all staff and Members so that they were aware of the work being undertaken and as it covered all departments and services? Reassurance was provided that this would take place to ensure all areas of the Council understood what needed to be done.
- Staff training to meet these targets was crucial, and feedback had been received from meetings already held. The consultants confirmed that they had undertaken work with the Council's Carbon Champions resulting in many ideas being discussed about how the Council could change processes to achieve targets.
- The need to begin more outward-facing work in the District as soon as possible.

Councillor Roberts then proposed the recommendations, which were seconded by Councillor Cooper.

The Committee

RESOLVED

- (1) The Carbon Reduction Strategy be adopted;
- (2) The inclusion of £200,000 in the 2022/23 budget to support carbon reduction projects be endorsed;
- (3) Support be given to the Climate Change and Sustainability Manager to develop a plan to deliver the Carbon Reduction Strategy with appropriate targets to achieve carbon neutrality by 2030;
- (4) The Corporate Support Committee be requested to review the Council's Procurement Policy to ensure that carbon reduction is given appropriate consideration in the purchasing of all goods and services;
- (5) The Interim Group Head for Corporate Support be requested to review the Council's investment portfolio to determine the cost benefits of environmentally friendly funds;
- (6) The commissioning of specialist consultants to undertake detailed audits of the Council's estate be supported and prepare a programme of energy efficiency improvement projects; and

- (7) the strategic approach to the Council's housing stock be endorsed by improving the energy performance of the buildings by 2030 and achieving Net Zero for the portfolio by 2050.

393. FINANCIAL PROSPECTS 2021/22 TO 2025/26

The Interim Group Head for Corporate Support and Section 151 Officer presented a report updating Members on the medium-term financial forecast. The length of the forecast had been reduced to four years due to the continuing levels of uncertainty and lack of information in relation to Government funding making future years forecasting increasingly unreliable.

The report had been written in September 2021 with more information being confirmed when the spending review was announced on 27 October 2021. The model assumed a rollover settlement for 22/23 with major funding reform implemented in the next year, including a Business Rate Baseline Reset and the Fair Funding Review. This was by no means certain and other scenarios could include a roll over settlement over the next 3 years or a partial reform of business rates including a baseline reset – these were all a possibility.

The Council had benefitted significantly from the growth of Business Rates since the inception of the scheme and any delay in the reset of the baseline was to the Council's benefit.

The Interim Group Head of Corporate Support and Section 151 Officer concluded her presentation by explaining that the only way to mitigate against the risk from the Government's funding reforms was to hold sufficient balances, to which end the Council had set aside £6.6million, providing opportunity to plan without having to rush into any hasty decisions.

Members then took part in a full debate on the item where the following various points were raised:

- The recommendation for the Council Tax increase, whether the maximum increase had to be implemented and recognition that if it was it would most likely be in line with, or below, inflation later in the year
- Praise for staff action in ensuring the Council's finances were in the position they were in, especially due to the levels of uncertainty from Government

The Interim Group Head for Corporate Support and Section 151 Officer provided Members with responses to all points raised during the debate.

Councillor Dixon then proposed the recommendations, which were seconded by Councillor Roberts.

The Committee

RESOLVED – That

- (1) The core assumptions set out in the Medium-Term Financial Strategy and the current financial position be agreed;
- (2) The significant risks to local government finance that have been outlined in the report be noted; and
- (3) Approval be given to the Medium-Term Financial Strategy to being used to set the Budgetary framework in preparing the 2022/23 Budget.

394. URGENT DECISIONS TAKEN BY THE CHIEF EXECUTIVE UNDER THE SCHEME OF DELEGATION IN ACCORDANCE WITH PART 4, SECTION 2, PARAGRAPH 2.23 OF THE CONSTITUTION

The Chair explained that in accordance with the provisions of the Officer Scheme of Delegation in the Council's Constitution, Urgent Decisions that had been taken by the Chief Executive were being reported to this Committee for information purposes.

The Committee therefore received and noted the urgent decisions taken which were:

- (1) Supplementary Estimate to Cover Costs Awarded Against the Council in Appeal P/58/19/PL; and
- (2) Supplementary Estimate to Cover Costs for Defending Appeal on Land South of Barnham Station, Barnham – BN/142/20/OUT.

395. MOTION REFERRED TO THE COMMITTEE FROM FULL COUNCIL

The Chair explained to the Committee that a Motion had been referred to it from the meeting of Full Council held on 15 September 2021.

This Motion was:

Introduction

Whilst recognising the good intentions of the Council as expressed in the Energy Efficiency strategy 2020-25, for measures such as improved insulation and energy saving measures, this Council believes that action now needs to be stepped up if we are to meet our carbon reduction targets. We recognise two major difficulties: a high level of fuel poverty in the district; and the need to understand the new and emerging technologies required to address the carbon reduction targets. However, Arun District has declared a Climate Emergency and aims to be a carbon neutral authority by 2030. That is only eight years away. In the last few years, Arun District Council has connected 200 council homes to the gas network, and in 2020, around 80 properties had gas boilers installed under the Safe and Warm Home grants scheme. And a few weeks ago, a special meeting of the Wellbeing and Residential committee was called at very short

notice to authorise a communal heating gas boiler serving 70 homes to be replaced at Bersted Green Court. This boiler was known to be reaching the end of its life and its replacement had been planned. Gas is a fossil fuel and causes high levels of carbon dioxide emissions. As we know, the government will be phasing out the use of gas for new housing in the next few years. It is still legally possible to carry on replacing boilers until around 2030 if they are assumed to last for up to twenty years; this would tie in with the government's target of reaching carbon neutral by 2050. However, at Arun we have set a higher target and so this does not set a good precedent. In fact, this decision alone will surely prevent us being a carbon neutral council by 2030 as we intended.

Motion

This Council requires that carbon neutral alternatives are found to replace heating systems in Council owned properties, rather than replacing gas boilers with new gas boilers. There are systems available and research for alternatives to suit a variety of properties should start now, so that Arun District Council is never again in the position of having to renew a gas boiler.

The Chair confirmed that having consulted with the original proposer of the Motion, Councillor Thurston, he wished to propose it with an amendment, additions have been shown in **bold** with deletions shown using ~~strike through~~:

This Council ~~requires that~~ **strongly supports the use of** carbon neutral alternatives ~~are found to replace~~ **when replacing existing** heating systems in Council owned properties ~~assets. rather than replacing gas boilers with new gas boilers.~~ There are systems available and research for alternatives to suit a variety of properties should start now, ~~so that Arun District Council is never again in the position of having to renew a gas boiler~~ **so officers are instructed to incorporate this into the HRA Business Plan and other strategies for the management of our assets so we can work towards the removal of all gas boilers in the interests of this council reaching its target of net zero emissions.**

Councillor Walsh then seconded this amendment.

The Chair invited debate on this amendment which has been summarised below:

- It was acknowledged that vital insulation and fabric work needed to commence now with the need to start research urgently and to look at carbon neutral alternatives – the aim of the Motion had been to highlight this urgent need
- The cross-Committee and cross-Service nature of the issues that needed to be addressed were acknowledged
- The need to cover installation for new properties as well as replacement of boilers in older properties
- The strengthening of the language to reflect its urgency
- Whether previous emergency boiler replacements could have been avoided with forward planning

- The need to insulate pre-existing properties before replacing gas boilers with carbon neutral alternatives, or risk leaving vulnerable residents with colder homes and higher bills, and whether insulation should be reprioritised
- How did this Motion address new Council owned assets?
- There was comment that the revised wording in the Motion was not strong enough – wording such as support needed to be replaced with ‘requires’.

In view of the debate that had taken place, a further amendment was proposed by Councillor Stanley to read as follows, further additions have been shown in **red** bold with deletions shown using ~~strikethrough~~:

This Council ~~requires that~~ **strongly supports the use of** carbon neutral alternatives ~~are found to replace~~ **when installing heating systems into newly acquired assets or existing council owned assets** ~~replacing existing heating systems in Council owned properties assets.~~, rather than replacing gas boilers with new gas boilers. There are systems available and research for alternatives to suit a variety of properties should start now, so that Arun District Council is never again in the position of having to renew a gas boiler so **Officers are instructed to incorporate this into the Housing Revenue Account (HRA) Business Plan and other strategies for the management of our assets so we can work towards the removal of all gas boilers in the interests of this Council reaching its target of net zero emissions.**

The Chair, Councillor Gunner, seconded this further amendment.

Debate on the further amendment was invited where it was agreed that the Council needed to reprioritise an insulation programme. It was hoped that the funding that the Council could receive would achieve this. There was strong support for this further amendment which was accepted by the seconder to the first amendment – Councillor Walsh.

Upon putting the amendment to the amendment to the vote, it was declared CARRIED.

The Committee, therefore

RESOLVED

This Council strongly supports the use of carbon neutral alternatives when installing heating systems into newly acquired assets or existing council owned assets. There are systems available and research for alternatives to suit a variety of properties should start now, so Officers are instructed to incorporate this into the Housing Revenue Account (HRA) Business Plan and other strategies for the management of our assets so we can work towards the removal of all gas boilers in the interests of this Council reaching its target of net zero emissions.

396. ENVIRONMENT & NEIGHBOURHOOD SERVICES COMMITTEE - 23 SEPTEMBER 2021

The Chair confirmed that the minutes from the meeting of the Environment & Neighbourhood Services Committee were being presented to this Committee as there were recommendations for it to consider at Minute 289 [Changing Places Toilets Expression of Interest].

These were introduced by the Interim Chief Executive who explained that they involved adjusting the capital programme and revenue budget to increase the amount required for this toilet refurbishment.

Councillor Cooper then proposed the recommendations, which were seconded by Councillor Stanley.

The Committee

RESOLVED - That

(1) The capital programme for toilet refurbishments is increased by up to £157k (depending on the amount of match funding required for the Changing Places Bid) to allow the existing programme to be delivered in 2022/23; and

(2) An additional £4,200 per toilet is included within the revenue budget (for a maximum of four toilets).

397. OUTSIDE BODIES

There were no feedback reports from Outside Bodies to present to this meeting.

398. WORK PROGRAMME

The Committee received and noted its Work Programme covering the remainder of the Municipal Year.

The Climate Action Plan Update following discussion earlier in the meeting was added to the Work Programme for 10 February 2022 meeting.

(The meeting concluded at 7.29 pm)