



Public Document Pack

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This meeting will be webcast live – the link to view the meeting will be made available soon.

Committee Manager - Jane Fulton [Ext 37611]

4 October 2021

CORPORATE POLICY AND PERFORMANCE COMMITTEE

A meeting of the Corporate Policy and Performance Committee will be held in the **Council Chamber at the Arun Civic Centre, Maltravers Road, Littlehampton BN17 5LF** on **Thursday 14 October 2021 at 6.00 pm** and you are requested to attend.

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

PLEASE NOTE: Subject to Covid-19 Risk Assessments members of the public are advised of the following:

Where public meetings are being held at the Arun Civic Centre, in order to best manage safe space available, members of the public are in the first instance asked to watch the meeting online via the Council's Committee pages – the meeting will be available to watch live via the internet – link to be inserted

- a) Where a member of the public 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. There will be limited public access to this meeting and admission for public speakers will be by ticket only, bookable when submitting questions. Attendees will be asked to sit in an allocated seat in the public gallery on a first come first served basis. Only one ticket will be available for per person.
- b) It is recommended that all those attending take a lateral flow test prior to the meeting.
- c) All those attending the meeting will be required to wear face coverings and maintain safe distancing when in the building/meeting room.
- d) Members of the public must not attend any face to face meeting if they or a member of their household 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 **Wednesday 6 October 2021** in line with current Procedure Rules. It will be at the Chief Executive's/Chair's discretion if any questions received after this deadline are considered. Permitted questions will be read out by an Officer.*

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

AGENDA

1. APOLOGIES

2. DECLARATIONS OF INTEREST

Members and Officers are invited to make any declaration of pecuniary, personal and/or prejudicial interests that they may have in relation to items on this agenda, and are reminded that they should re-declare their interest before consideration of the items or as soon as the interest becomes apparent.

Members and Officers should make their declaration by stating:

- a) the item they have the interest in
- b) whether it is a pecuniary/personal interest and/or prejudicial interest
- c) the nature of the interest

3. MINUTES

(Pages 1 - 6)

The Committee will be asked to approve as a correct record the Minutes of the Corporate Policy and Performance Committee held on 1 September 2021, which are attached.

4. 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

5. PUBLIC QUESTION TIME

To receive questions from the public (for a period of up to 15 minutes)

6. DRAFT PUBLIC CONSULTATION DOCUMENT - COUNCIL VISION 2022-2026 [15 MINUTES]

(Pages 7 - 14)

This report describes the process for developing Arun District Council's Council Vision for the period 2022 – 2026. It describes the internal consultation process involved in developing this document and the formal approval process which will follow public consultation.

7. CARBON REDUCTION STRATEGY [30 MINUTES] (Pages 15 - 48)

The Council declared a Climate Emergency on 15 January 2020 and set an objective to achieve carbon neutrality by 2030. A carbon audit has been undertaken by consultants to analyse the Council's carbon emissions and propose a strategy to achieve this objective. This strategy will help steer the Council in the direction to achieve Carbon Neutrality by 2030.

8. FINANCIAL PROSPECTS 2021/22 TO 2025/26 [30 MINUTES] (Pages 49 - 56)

The Council's Medium-Term Financial Strategy (MTFS) covering the period up to 2025/26 rolls forward and updates the data in the existing approved MTFS. The Strategy amends certain assumptions contained in it to reflect changes in the Council's circumstances and other issues that have a strategic bearing on the Council's financial prospects.

9. 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 [10 MINUTES] (Pages 57 - 58)

In accordance with the provisions of the Officer Scheme of Delegation in the Council's Constitution, the attached Urgent Decisions have been taken by the Chief Executive and are being reported to this Committee in line with Constitutional requirements.

The two decisions relate to:

- (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.

It was necessary for the Chief Executive to agree these two decisions which were due to be debated by Full Council on 14 July 2021. As that meeting was adjourned without concluding the business on that agenda, it was agreed that these two items [unfinished business on that agenda] could not wait until 15 September Full Council meeting and were classed as urgent.

The two decisions taken by the Chief Executive were taken having undertaken full consultation with all Political Group Leaders. The report from the Chief Executive is attached.

10. MOTION REFERRED TO THE COMMITTEE FROM FULL COUNCIL [10 MINUTES]

At Full Council on 15 September 2021, the Motion set out below was referred to this Committee for consideration:

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.

Proposer: Councillor Thurston
Seconder: Councillor Walsh

ITEMS PUT FORWARD FROM SERVICE COMMITTEES

11. ENVIRONMENT & NEIGHBOURHOOD SERVICES COMMITTEE - 23 SEPTEMBER 2021

The Committee is asked to consider recommendations from the meeting of the Environment & Neighbourhood Services Committee held on 23 September 2021.

The minutes from this meeting will be circulated separately to this agenda.

OUTSIDE BODIES - FEEDBACK FROM MEETINGS

There are no items for this meeting.

12. WORK PROGRAMME [5 MINUTES]

(Pages 59 - 62)

A copy of the Committee's Work Programme for the remainder of 2021/22 is attached for information.

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 - Section 5 Filming Photographic Protocol.pdf \(arun.gov.uk\)](#).

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Public Document Pack Agenda Item 3

Subject to approval at the next Corporate Policy and Performance Committee meeting

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CORPORATE POLICY AND PERFORMANCE COMMITTEE

1 September 2021 at 6.00 pm

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

219. WELCOME

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

220. DECLARATIONS OF INTEREST

Councillor Walsh declared a Personal Interest in Agenda Item 8 [Update on the Future of Joint Arun Area Committees] in his capacity as a Member of West Sussex County Council.

Councillors Oppler and Pendleton then declared their Personal Interests in Agenda Item 8 as Members of West Sussex County Council.

221. MINUTES

The Minutes from the meeting of the Corporate Policy & Performance Committee held on 17 June 2021, were approved by the Committee and were signed by the Chair.

222. PUBLIC QUESTION TIME

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

223. REVENUE AND CAPITAL OUTTURN EXPENDITURE 2020/21 [30 MINUTES]

The Interim Group Head of Corporate Support & Section 151 Officer presented this report outlining that 2020/2021 had been an exceptional year due to the Covid-19 Pandemic. Unfortunately, the audit of the Council's financial statements had been delayed until November 2021. The report before the Committee was the draft Outturn report and no further changes were envisaged. It was anticipated that the audit would be completed in November 2021 with the Audit & Governance Committee signing off the accounts at a Special Meeting to be held in January 2022.

As already mentioned, 2020/21 has been a challenging year with much uncertainty and additional costs to the Council, yet it had managed to achieve a very positive financial outturn. The Council had received significant Covid-19 funding in addition to the sales of fees and charges compensation scheme which had helped to back up the Council's additional expenditure accrued mainly in areas such as homelessness, rough sleepers, supporting the leisure contract and areas of central

support such as office buildings, rapid reception area adjustments to support homelessness cases and areas such as IT to allow all staff to work from home. Support had also been given in reaction to the need for additional cleaning in the Civic Centre and to areas such as Environmental Health. There had been some positive income streams in areas such as Planning whose income was above budget as the lockdown had led to a surge in planning applications being submitted. During the year the Council had approved supplementary estimates totalling £1.6 m which included the worst case support scenario for the leisure contract which had not been required and so the Council had managed to absorb this into its general outturn.

In reaction to the report, praise was given to the Interim Group Head of Corporate Support and her team for their work during the past year and for meeting the challenges that had been set. It was very pleasing to be told that despite the challenges highlighted, the Council had managed to maintain a favourable balance and had not needed to raid the Council's reserves which had been an extraordinary achievement.

The Interim Group Head of Corporate Support then drew Committee's attention to the Housing Revenue Account (HRA) outturn which was under budget and to Recommendation 3 of the report which was asking approval to carry forward £1m Housing Capital spending from 202/21 to 2021/22 to support and complete a number of projects that had been unavoidably delayed due to the pandemic.

In response to this, it was felt important that the Council's share of the capital receipts which it could spend should only be spent on new social housing. There was reference made in the report that the phasing of the programme would be a key factor. Councillor Walsh confirmed that he wished to suggest that the Committee made a strong recommendation to the appropriate Service Committee that the housing capital revenue programme would take account of that and would make sure that the Council would spend this money only on social housing and be sure that none of these funds would be returned to Central Government.

In addition to this, Councillor Walsh commented on developer contributions as outlined in Paragraph 7 [Section 106 Receipts] and the amount that the Council held which was £9.122m. His concern related to past experiences where other external bodies who had been responsible for the spend of some of these monies had not successfully spent this funding. Councillor Walsh confirmed that he was referring to the National Health Service [NHS] and given the pressures that the District was facing in these areas it was essential for the Council to insist that the NHS met its obligations on spending such funding on capital projects rather than on further unnecessary studies as to how the money should be spent.

In response, the Chair sought confirmation as to whether Councillor Walsh had a seconder for his two proposals and whether he wished to amend any of the recommendations listed 1 to 7. Councillor Walsh confirmed that he wished to add these proposals as new recommendations.

To assist with the debate, the Chief Executive confirmed that in strengthening the Council's handling of Section 106 spending and other parties and their spending, the Council had created a post in Planning which monitored the spend of Section 106 funding to ensure that none of the funding was misused. He confirmed that since an Officer had been in post, he was not aware of any funding not being spent as it should. He was happy for the request on Section 106 funding to be fed back to the relevant Service Committee.

Councillor Stanley then seconded Councillor Walsh's proposals. On these being put to the vote, they were declared CARRIED.

The Chair then returned to the substantive recommendations as amended, which he duly proposed, and these were seconded by Councillor Pendleton.

The Committee

RESOLVED – That

- (1) The Outturn Report at Appendix 1 be noted;
- (2) The revenue and capital outturn expenditure for 2020/21, subject to audit be noted;
- (3) The carry forward of £1m Housing Capital spending from 202/21 to 2021/22 as outlined in Paragraph 4.5 of the report be approved;
- (4) The level of balances and unused Section 106 sums at 31 March 2021 be approved noting the reasons explained for the increase in reserve balances;
- (5) The additional £0.833m contribution to the Funding Reserve be noted; and
- (6) The transfer of £0.538m to the Covid Contingency Reserve be noted;
- (7) The Residential & Wellbeing Services Committee be asked to ensure that the housing capital revenue programme would ensure that capital receipts will only be spent on social housing and that none of these funds would be returned to Central Government; and
- (8) The Planning Policy Committee be asked to ensure that all Section 106 spending is administered in line with requirements.

224. BUDGET 2022/23 - PROCESS [15 MINUTES]

The Interim Head of Corporate Support and Section 151 Officer presented this report outlining that its purpose was to ensure that Members were fully informed of the budget process for 2022/23 under the new Committee system.

It was explained that each Committee would receive a similar report as the relevant budget would have to be considered by each Service Committee before the full Budget would be considered by this Committee on 10 February 2022 before approval by Special Council on 23 February 2022.

In considering the report, a request was made for a Members' Seminar to be organised as this had formed a very helpful part of the process in considering and understanding the budget for last year. The Interim Group Head of Corporate Support conformed that she would investigate organising this.

Following a brief discussion, Councillor Gunner then formally proposed that the Budget process for 2022/23 be approved and this was seconded by Councillor Pendleton.

The Committee

RESOLVED

That the Budget process for 2022/23 be approved.

225. UPDATE ON THE FUTURE OF JOINT ARUN AREA COMMITTEES [10 MINUTES]

The Chair referred the Committee to the update report informing Councillors of the decision made by West Sussex County Council to establish a new informal District/Borough based forum to replace the Joint Arun Area Committees.

226. FEEDBACK FROM A MEETING OF THE GREATER BRIGHTON ECONOMIC BOARD HELD ON 20 JULY 2021 [10 MINUTES]

The Chair confirmed that he had attended, with the Chief Executive, the meeting of the Greater Brighton Economic Board held on 20 July 2021 and so would be happy to respond to any questions asked.

A range of questions were asked. The first was around the need for the Board to address the very low wage levels in the Arun District as well as deprivation levels. Had this message been put across to the Board? The Chair reassured the Committee that he had robustly defended Arun and had argued the need for greater support. Councillor Gunner outlined that there had been a change in Chair of the Board with the new Chair wishing to refocus the Board's priorities. The Committee was reassured that further pledges would continue to push for inward investment into Arun.

Secondly, from the long list of Board initiatives, had any greatly benefited Arun over the time of its membership? The Chief Executive confirmed that one had been decarbonising council housing stock and that a Working Party had been established to see how this could be taken forward. He reminded Members of the report that had been taken to Cabinet in 2020 which had provided a detailed presentation outlining the Board's 10 main pledges focusing on the sustainable growth agenda and superfast broadband. It was hoped that Arun would benefit from future Government funding in the future.

The Chair added to this by outlining that the Board did have a list of major build projects, but these were predominantly earmarked towards the Greater Brighton and nearby area. He had made his displeasure clear around the need to see some of this investment being injected into Arun and had met with the Officer team to prompt the Board to commence a greater focus on areas outside of Brighton.

Mention was made of the reintroduction of the kelp forest off the Sussex coast and the investment in hydrogen power plant at Shoreham harbour and input from nearby engineering firms that were progressing the use of hydrogen powered engines in some buses. It was hoped that this would be rolled out to Stagecoach soon which would benefit the District. A request made for the Council to undertake a review of all its corporate partnerships to assess what value they brought to the Council and its residents as it was essential to see that the Council was getting value for its investments. In relation to this, the importance of railway infrastructure and the progression of the Arundel Chord was raised and was this on the agenda for future meetings of the Board. Reassurance was provided that the Arundel Chord was and had been regularly mentioned at meetings. It was noted that the Arundel Chord was not mentioned in WSCC's Transport Draft Plan and that this needed to be addressed.

227. JOINT CLIMATE CHANGE BOARD [5 MINUTES]

The Chair confirmed that this item formed two parts. Firstly, the Committee was being asked to confirm Councillor Staniforth as the Council's nominated representative on the Joint Climate Change Board and secondly a feedback report had been provided by Councillor Staniforth for the Committee's information. Councillor Gunner then formally proposed Councillor Staniforth's nomination which was seconded by Councillor Pendleton.

In debating this proposal, Councillor Dixon confirmed that he wished to make an amendment which was to propose that Councillor Thurston be the Council's nominated representative, and this was seconded by Councillor Oppler.

The Chair then invited debate on this amendment and reasons for proposing Councillor Thurston for this role were explained. On putting this to the vote, 4 Councillors voted for the amendment and 4 voted against it. As this was a tied vote, the Chair used his casting vote and voted against the amendment.

The Chair then returned to the substantive proposal and on this being put to the vote it was CARREID.

The Committee therefore

RESOLVED

That Councillor Staniforth be this Council's nominated representative on West Sussex County Council's Joint Climate Change Board.

The Chair then returned to the feedback report that had been submitted by Councillor Staniforth and invited questions. As she had not been able to be present at the meeting, he confirmed that any detailed questions could be responded to outside of the meeting.

Following some further discussion, the Committee noted the report.

228. WORK PROGRAMME

The Chief Executive introduced the Committee's draft Work Programme for the remainder of 2021-22 and provided an update on the Corporate Plan in terms of how this was developing and the timetable that was in place for an April 2022 start.

Having received no further suggestions or questions, the Chair thanked Members for their input.

(The meeting concluded at 6.44 pm)

ARUN DISTRICT COUNCIL

REPORT TO CORPORATE POLICY AND PERFORMANCE COMMITTEE ON 14 OCTOBER 2021

SUBJECT: Draft Public Consultation Document Council Vision 2022 - 2026

REPORT AUTHOR: Jackie Follis, Group Head of Policy

DATE: 27 September 2021

EXTN: 01903 737580

CONTACT: Jackie Follis 01903 737580

EXECUTIVE SUMMARY:

This report describes the process for developing Arun District Council's Council Vision for the period 2022 – 2026. It describes the internal consultation process involved in developing this document and the formal approval process which will follow public consultation.

RECOMMENDATIONS:

It is recommended that the Members of the Corporate Policy and Performance Committee:

- (i) Agree the content of the public consultation document as set out in Appendix 1;
- (ii) Give delegated authority to the Group Head of Policy to agree the final document and covering letter, in consultation with the Chair of the Corporate Policy and Performance Committee; and
- (iii) Give delegated authority to the Group Head of Policy to carry out the consultation during Autumn 2021

1. BACKGROUND:

- a) The Council is currently working to the agreed Corporate Plan 2018-2022. The Corporate Plan consists of 11 performance indicators which measure key areas of work for the Council and 23 Service Delivery Plan performance indicators which sit beneath this.
- b) In preparation for the new Corporate Plan for 2022 – 2026 a series of workshops were held between 5 July and 5 August 2021, to which all ADC councillors were invited, focused around a number of key themes:

- Improving the wellbeing of Arun District Council
- Delivering the right homes in the right places
- Supporting our environment to support us
- Fulfilling Arun's economic potential

- c) Members were asked to discuss what they believed the high level aims should be for each theme and ideas about ways to achieve these. 37 councillors attended one or more sessions. Full notes of these workshops were circulated to all Members, whether they were able to attend or not
- d) Following consultation with the Leader, Deputy Leader and Chief Executive and then informally with Corporate Policy and Performance Committee (CPPC) Members on the summary outcomes of the workshops, the document attached as Appendix 1 has been developed and it is intended that, with the agreement of CPPC Members, this forms the basis of public consultation during November 2021. Feedback from the consultation will be taken into account and changes made where appropriate before the final document returns to this Committee to consider the Vision and corporate performance indicators in February 2022. This will go to Full Council in March 2022. All Councillors and staff will have the opportunity to comment further during the public consultation period.
- e) In parallel with wider consultation on the overall aims for 2022-2026, CPPC will be asked to consider corporate performance indicators and Committees will be asked to consider service delivery plan indicators.
- f) The purpose of the Corporate Plan is to provide a high level framework that we can work towards when we make decisions at all levels for the next four years.

2. PROPOSAL(S):

It is recommended that the Members of the Corporate Policy and Performance Committee:

- (iv) Agree the content of the public consultation document as set out in Appendix 1;
- (v) Give delegated authority to the Group Head of Policy to agree the final document and covering letter, in consultation with the Chair of the Corporate Policy and Performance Committee
- (vi) Give delegated authority to the Group Head of Policy to carry out the consultation during Autumn 2021

3. OPTIONS:

- (i) To agree the proposals set out in section 2 of this report
- (ii) To not agree the proposals and make alternative proposals on the way forward, with the caveat that if an alternative course of action needs approval at the next CPPC meeting on 9 December 2021 there will be no time for external consultation before the final Council Vision must be approved for the 2022 – 2026 period

4. CONSULTATION:		
Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		x
Relevant District Ward Councillors		x
Other groups/persons (please specify) All Arun District Councillors	x	
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		x
Legal		x
Human Rights/Equality Impact Assessment		x
Community Safety including Section 17 of Crime & Disorder Act		x
Sustainability		x
Asset Management/Property/Land – slow down progress on key sites		x
Technology		x
Other (please explain)		x
6. IMPLICATIONS:		
None		

7. REASON FOR THE DECISION:
To authorise public consultation on the Council's Vision 2022 - 2026

8. BACKGROUND PAPERS:
Appendix 1 – Draft content for Public Consultation document

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Council Vision – Proposed content for Public Consultation based on outcomes from member workshops July/August 2021

Improving the wellbeing of Arun

Overall Aims

- Work with other agencies and services to focus on Arun's areas of greatest inequality and to encourage healthy and active lifestyles.
- Deliver leisure services and cultural activities for all members of the community, regardless of age or ability
- Provide joined up support and advice (with partners) on a wide range of wellbeing issues, especially where this will have most impact

How

1. Create a Wellbeing Strategy for Arun based on understanding the wide range of social, economic and environmental factors which influence people's physical and mental health.
2. Engage better with local people, including hard to reach groups, to promote healthy lifestyles and encourage participation in a wide range of wellbeing activities
3. Work with key partners to ensure that we deliver council wellbeing services that are complementary to their own, rather than duplicate effort
4. Work with health organisations to improve the delivery of primary care facilities across the district, but particularly Littlehampton
5. Work with the voluntary and community sector to provide a wide range of which support vulnerable people.
6. Provide wider infrastructure that supports wellbeing, e.g. more opportunities for cycling and walking, housing and other developments that include easily accessible and safe greenspace
7. Work with people in difficult housing situations (homelessness, HMOs, B & B, Temporary accommodation) to ensure that their health outcomes are improved.

Council Vision – Proposed content for Public Consultation based on outcomes from member workshops July/August 2021

Delivering the right Homes in the right places

Overall Aims

- Provide a mixed housing economy within the District for all, regardless of age or circumstances, where different types of homes are available, and people can choose to rent or buy.
- Support those in our community that most need help, providing a safety net where necessary and working with people and organisations to meet different needs.
- Provide homes that are energy efficient and affordable to run

How

1. Recognise the requirements of those who have particular and sometimes complex needs and support them in finding the right accommodation.
2. Invest in more affordable housing, using the Council's own resources and commercial expertise
3. Work to ensure that our social housing is energy efficient
4. Use our expertise to influence the local housing market, working with the right partners from all sectors, to develop the housing and infrastructure that we need.
5. Use the planning system to create great new places and improve our existing places, where new homes meet the needs of current and future generations

Council Vision – Proposed content for Public Consultation based on outcomes from member workshops July/August 2021

Supporting our environment to support us

Overall Aims:

- Any money spent on saving the environment must be seen as a future investment, rather than just a cost on the Council's balance sheet. The Council will therefore aim to build sustainability into all housing developments, infrastructure and economy, encouraging businesses to share their ideas and work together towards a greener future for everybody
- Arun District Council will set achievable but challenging targets for itself, aiming to be carbon-neutral in a timescale based on its new Climate Change and Biodiversity Strategies
- Protect and enhance our natural environment making them accessible for all
- Make walking, cycling and travel by public transport easy, convenient and pleasant and a fundamental part of our placemaking

How

1. Develop Climate Change and Biodiversity Strategies for ADC and the Arun District, including setting net zero-carbon targets
2. Maximise the use of green energy for Council owned and community buildings and encourage alternative energy generation scheme(s)
3. Engage and incentivise businesses to get them to commit to individual and collaborative working practices which minimise their impact on the environment
4. Provide support and information to local residents and businesses to make them aware of and help them take full advantage of government/regional/other funding
5. Increase and improve our recycling by educating and working with residents, businesses and visitors
6. Encourage all council services to have climate change and biodiversity as a consideration in everything they do
7. Support the Sussex Bay initiative to improve the biodiversity and carbon footprints of the district.

Council Vision – Proposed content for Public Consultation based on outcomes from member workshops July/August 2021

Fulfilling Arun’s economic potential

Overall Aims

- Increase opportunities for more high-quality, well-paid employment, encouraging more people to live, work, study and visit Arun
- Use regeneration opportunities to attract new and relocating businesses to the District
- Encourage the development of the District as a key tourist destination, supporting and enabling improvements and activities to increase visitor spend
- Make best use of our natural assets to help drive the economy

How

1. Work towards an environment that will attract high tech and ‘green’ businesses into the area, reducing the need for the workforce to commute out
2. Use the planning system to set aside sites for larger business growth and support and create employment space for smaller start-ups, using Arun owned land to stimulate the market
3. Encourage a digital infrastructure that will support businesses and changing ways of working, as well as the needs of local people
4. Carry out a district wide skills audit, to understand what businesses need and what skills we have in the community. Work with local Colleges and the University to assist them to run courses that will match local skill needs for those at all stages in their working life
5. Work closely with our towns and other organisations on Town Centre Strategies which support vibrant and attractive retail centres
6. Positive and focused promotion of Arun’s tourist destinations as more than a ‘day trip’
7. Develop more accommodation options for the tourist and business market

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CORPORATE POLICY AND PERFORMANCE COMMITTEE ON 14 OCTOBER 2021

SUBJECT: CARBON REDUCTION STRATEGY

REPORT AUTHOR: William Page, Climate Change and Sustainability Manager
DATE: October 2021
EXTN: 01903 737982
AREA: Community Wellbeing Service

EXECUTIVE SUMMARY: The Council declared a Climate Emergency on 15 January 2020 and set an objective to achieve carbon neutrality by 2030. A carbon audit has been undertaken by consultants to analyse the Council's carbon emissions and propose a strategy to achieve this objective. This strategy will help steer the Council in the direction to achieve Carbon Neutrality by 2030.

RECOMMENDATIONS:

It is recommended that the Corporate Policy and Performance Committee:

- a) Adopt the Carbon Reduction Strategy;
- b) Endorse inclusion of £200,000 in the 2022/23 budget to support carbon reduction projects;
- c) Support 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;
- d) Request the Corporate Support Committee review the Council's Procurement Policy to ensure that carbon reduction is given appropriate consideration in the purchasing of all goods and services;
- e) Request the Interim Group Head for Corporate Support review the Council's investment portfolio to determine the cost benefits of environmentally friendly funds;
- f) Support the commissioning of specialist consultants to undertake detailed audits of the Council's estate and prepare a programme of energy efficiency improvement projects; and
- g) Endorse the strategic approach to the Council's housing stock by improving the energy performance of the buildings by 2030 and achieving Net Zero for the portfolio by 2050.

1. BACKGROUND:

- 1.1 In November 2019 the Environment and Leisure Working Party received a report on climate change and global warming. Cabinet supported the recommendation of the Working Group to declare a Climate Emergency and the aim for the Council to become carbon neutral by 2030 (Decision Notice C/029/091219). Full Council resolved to support these recommendations on 15th of January 2020.
- 1.2 A Climate Change and Sustainability Manager was appointed in February 2021 to oversee and commission a carbon audit and to produce a strategy and action plan to achieve the Councils 2030 carbon neutral target.
- 1.3 Consultants CO₂ Analysis (CO₂A) were appointed in May 2021 to undertake an analysis of the Councils carbon emissions. This included a detailed assessment of the Councils 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 occur from sources not owned or controlled by the Council); and audits of the corporate buildings and housing stock (with data provided by Parity Projects) to calculate the Councils carbon footprint.
- 1.4 In assessing the Councils carbon emissions CO₂A has considered what is required to meet the target of carbon neutrality by 2030. This is a significant challenge for the Council and CO₂A has proposed a high level action plan to achieve the 2030 target.
- 1.5 The Carbon Reduction strategy can be found at Appendix 1. The significance of the challenge is stated in the strategy:

'Climate change is perhaps the biggest challenge collectively that we face, with its impacts being felt globally'.

2 BIGGEST CARBON EMITTERS

- 2.1 CO₂A used the Councils finance data and energy consumption to calculate the Scope 1, 2 and 3 emissions. This provided a better understanding of the largest emitters in the Council's carbon footprint. Scope 3 activities make up the majority of the Councils carbon emissions, sitting at 98.10%, with Scope 1 and 2 making up the remaining 1.90%.
- 2.2 Scope 1 and 2 emissions are controlled directly by Council activities. For example, Scope 1 can be addressed by activities such as changing the Councils vehicle fleet to electric or low emission vehicles and improving heating systems to be more efficient. Scope 2 can be addressed by ensuring purchased electricity is generated from renewable sources.
- 2.3 Scope 3 emissions are not directly controlled by the Council and are therefore harder to reduce. The supply chain makes up 86.88% of these emissions and is the largest single emitter by far, followed by Leisure Centres (5.09%), investments (3.39%) and employee commute (1.92%).
- 2.4 Supply chain emissions can be reduced by ensuring that sustainability is in the forefront of the procurement policy and favouring companies who are working towards becoming Net Zero.

- 2.5 Emissions associated with the leisure centres (5.09%) can be addressed in the same way the Council is addressing its own emissions and the Council will work with Freedom Leisure to achieve this.
- 2.6 The Councils financial investments makes up 3.39% of Scope 3 emissions. The fund is managed by CCLA Investment Management LTD, who have a net zero carbon target of 2050.
- 2.7 Making up only 1.92% of the Councils emissions, employee commute is the fourth largest Scope 3 emitter. This has seen a sharp decline due to the pandemic, though as more staff return to the office this will increase. To mitigate this, staff returning to the office will be encouraged to consider active travel, public transport or car sharing to help control emissions.

3 EXCLUSIONS TO THE 2030 TARGET

- 3.1 A high-level desk top assessment of the Councils housing stock has been undertaken in respect to the 2030 EPC target and the 2050 net zero carbon target. Over the coming months more detailed analysis will be undertaken to help inform the Council's strategic approach and provide a roadmap on how these targets will be achieved. Therefore, no emissions generated from the Housing portfolio have been included within the audit.

4 RESOURCES

- 4.1 The Councils concern for the environment can be seen in its ambitious target to become Carbon Neutral by 2030; 20 years ahead of the HM Government legal requirement. It is proposed that a budget of £200,000 is available in 2022/23 financial year to ensure that the Council can adequately resource projects and seek additional grant funding to deliver the interventions required to reduce carbon emissions at the earliest opportunity.
- 4.2 Biodiversity is also a key component in the fight against climate change and will play an increasingly important role; through direct actions such as offsetting and rewilding or identifying other nature-based solutions to help reduce the impact of flooding and coastal erosion. As with many projects, officer capacity will be key to implement proposals and ensure biodiversity can fulfil its important role.

5 CONCLUSION

- 5.1 Members will be aware of that the Council has a proven record on delivering energy efficiencies and environmental projects across all service areas. These projects will continue to be delivered and the Climate Change and Sustainability officer will work with officers to capture this work and ensure it contributes to the carbon reduction action plan.
- 5.2 By formally adopting a climate change strategy that covers Scope 1, 2 and 3 emissions the Council will demonstrate a real commitment to tackling this important issue and provide demonstrable leadership whilst making a valuable contribution towards the fight against global warming.

2. PROPOSAL(S):

It is proposed that the Corporate Policy and Performance Committee:

- a) Adopt the Carbon Reduction Strategy;
- b) Endorse inclusion of £200,000 in the 2022/23 budget to support carbon reduction projects;
- c) Support 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;
- d) Request the Corporate Support Committee review the Council's Procurement Policy to ensure that carbon reduction is given appropriate consideration in the purchasing of all goods and services;
- e) Request the Interim Group Head for Corporate Support review the Council's investment portfolio to determine the cost benefits of environmentally friendly funds;
- f) Support the commissioning of specialist consultants to undertake detailed audits of the Council's estate and prepare a programme of energy efficiency improvement projects; and
- g) Endorse the strategic approach to the Council's housing stock by improving the energy performance of the buildings by 2030 and achieving Net Zero for the portfolio by 2050.

3. OPTIONS:

- a) To approve the recommendations as set out within the strategy to achieve the 2030 carbon neutral target.
- b) To consider further recommendations.

4. CONSULTATION:

Members of the Corporate Policies and Performance Committee.

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

Sustainability	✓	
Asset Management/Property/Land	✓	
Technology		✓
Other (please explain)	✓	

6. IMPLICATIONS:

FINANCIAL: investment in consultancy and technology.

ASSET MANAGEMENT: improvements and investments will be required.

PROCUREMENT: revisions will be required for the procurement policy to ensure our supply chain is environmentally aware.

7. REASON FOR THE DECISION:

To achieve the Councils objective of being carbon neutral by 2030

8. BACKGROUND PAPERS:

Environment and Leisure Working Group minutes (November 2019)

<https://democracy.arun.gov.uk/documents/g661/Printed%20minutes%2007th-Nov-2019%2018.00%20Environment%20Leisure%20Working%20Group.pdf?T=1>

Environment and Leisure Working Group Paper (December 2020)

<https://democracy.arun.gov.uk/documents/g1340/Public%20reports%20pack%2010th-Dec-2020%2018.00%20Environment%20Leisure%20Working%20Group.pdf?T=10>

[Energy Efficiency and Fuel Poverty Strategy \(2020 to 2025\)](#)

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Carbon Neutral Strategy

2022 - 2030



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The council has considered climate change to be a sufficient threat to declare this an emergency and has set out in this strategy its approach to achieving carbon neutrality for its core emissions by 2030'.





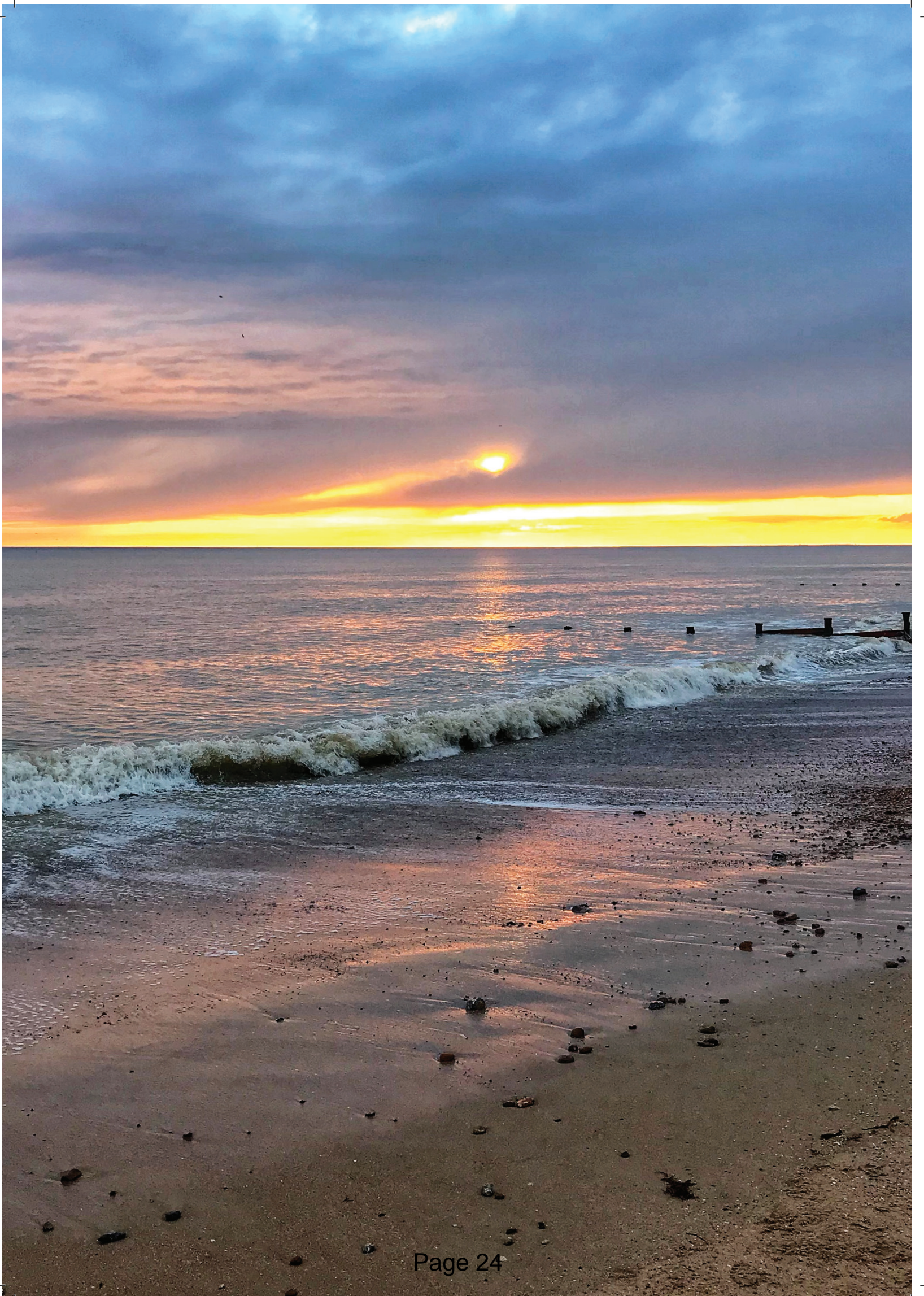
EXECUTIVE SUMMARY

Climate change will affect us all with its impact being felt globally. Arun, like other local authorities, has an important role in leading the unified fight to cut emissions and reduce the impact of global warming. To inform the council on how to best reach our 2030 carbon neutral target, and in turn reduce our emissions; CO2 Analysis carried out a comprehensive study of our carbon footprint. This work provided the council with details of its Scope 1, 2 and 3 emission and baselines to work from. Results confirmed that the largest emitter for the council is its supply chain, with it being responsible for 86.88% of all our emissions.

CO2A set a boundary around the councils core emissions to exclude those from the social housing stock. Emissions generated by the waste production of our residents and businesses was also excluded as this is not directly sourced from the council.

The council has considered climate change to be a sufficient threat to declare this an emergency and has set out in this strategy its approach to achieving carbon neutrality for its core emissions by 2030.



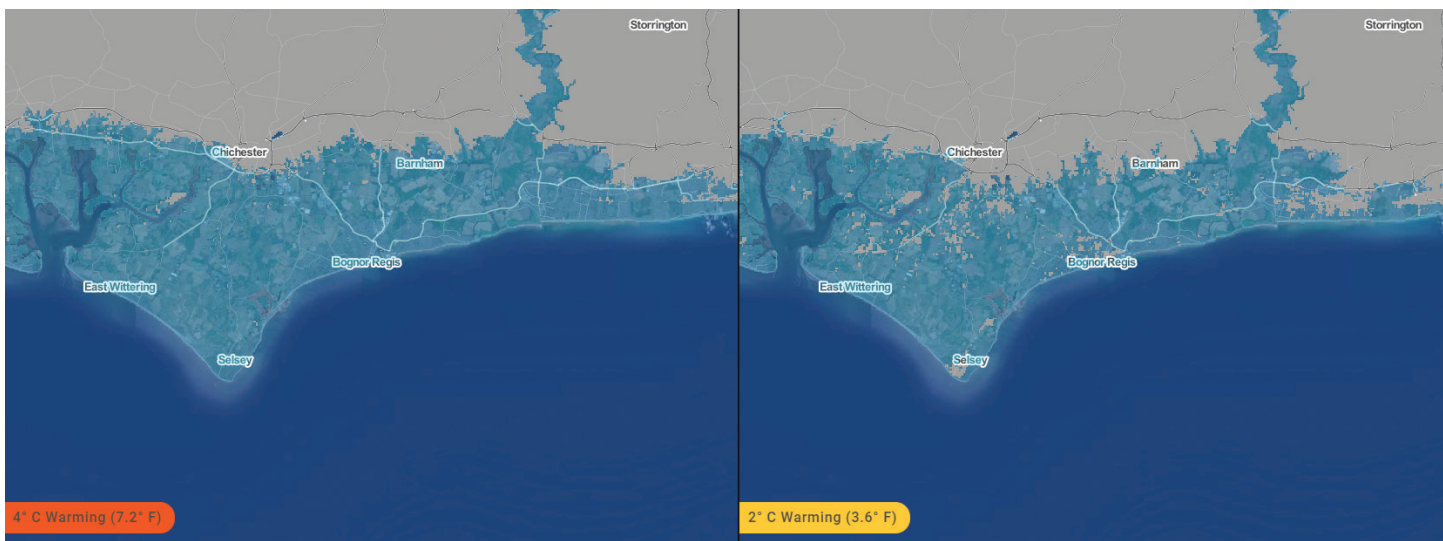


INTRODUCTION

Climate change is perhaps humanities biggest challenge and its impacts are felt globally. In recent years, there has been an increase in the severity and occurrence of wildfires, flooding, and storms. These extreme weather events will only intensify if global temperature continues to rise. The UK Met Office predicts an increase in summer temperatures of over 5°C by 2070 if emissions are not controlled. Further estimates suggest a 47% reduction in summer rainfall. This increase in temperature and reduction in rainfall will lead to extreme droughts, water shortages and increase the occurrence of wildfires. As wildfires release soot and smoke into the atmosphere, air quality will also be negatively impacted. The UK Met Office also predicts an increase to rainfall (35%) and the

severity of storms during winter months, leading to increased flooding, damage to infrastructure and crops.

Many communities across the United Kingdom are already facing the impacts of rising sea and river levels. Given our geographical location an increase in flood occurrence and tidal levels are likely to cause significant impacts to Arun's infrastructure, buildings, and residents. Moreover, habitat loss will impact on Arun's rich biodiversity. The maps below indicate the severity of just a 2°C and 4°C increase in temperature. The turquoise areas indicating that large areas of land near our shoreline and along the River Arun are at risk of being inundated.



Source: www.choices.climatecentral.org



www.arun.gov.uk

Arun in brief

Arun district is situated on the south coast of England. It's made up of a number of towns and villages and has a large rural hinterland. Arun has approximately 15 miles of coastline to the south and reaches into the South Downs National Park to the north. The district is bisected by the river Arun, one of the fastest flowing rivers in the country. The diversity of Arun sustains a rich range of habitats and species which flourish within its borders. These include: coastal marine environments, freshwater ecosystems; and a range of terrestrial habitats including sand dunes, woodlands, grasslands, and other green spaces.

In terms of population, Arun has the largest within West Sussex, estimated to be 164,910. The working age (15-64) population makes up just over half of the total population, 55.4% (91,376), followed up by 65+ at 29.4% (48,470), and finally 14 years and younger with 15.2% (25,064).

It is predicted that Arun's population will grow by roughly 22,000 (14% increase) by 2031, with the majority of this being within the older population (60+); with an estimate increase of around 19,400.

Arun is therefore likely to experience increase pressure on house availability and an increase in household waste, emissions, and water usage. These changes will lead to higher impacts on the environment and local resources.

The journey so far

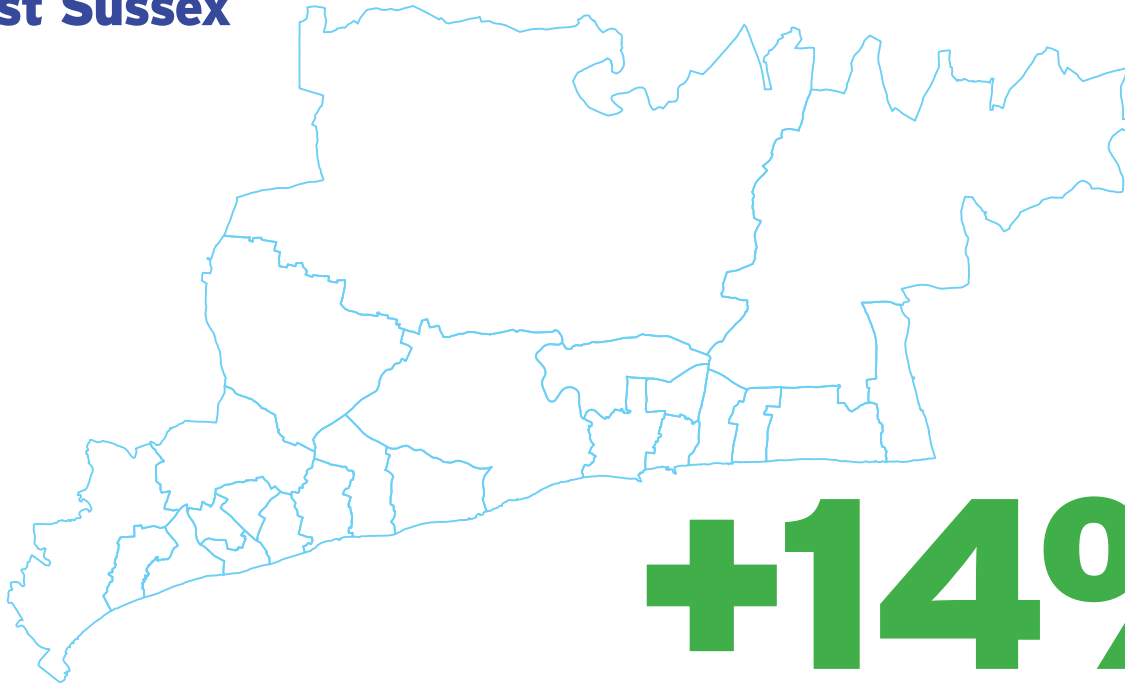
The council declared a climate emergency on 15 January 2020 and by pledging to become carbon neutral the council has committed to achieving net zero carbon dioxide emissions by 2030. This will be achieved by reducing our emissions of carbon dioxide and seeking alternative solutions, such as offsetting, for any emissions which cannot be removed. The work Arun undertakes through this strategy will feed into the national commitment to become carbon neutral by 2050, in accordance with the UK Climate Change Act 2008.

In support of the councils target a carbon audit was commissioned to identify the sources of its emissions. The council will use this to produce a Carbon Reduction Action Plan which sets out how Arun will take a measured approach through the identification of crucial actions to reduce its emission across all services areas and the wider business of the council.

Appendix 1 provides further details on the councils emissions.

164,910

**Arun has the largest population
in West Sussex**



+14%

**Predicted growth
of Arun's population
by 2031**



www.arun.gov.uk

What Arun has already done

Infrastructure and efficiencies

The council has a good track record of delivering environmental projects and energy efficiencies across all its services areas. These projects include the installation of renewable energies, such as the photovoltaic (PV) array on the Civic Center roof, and efficient technologies, such as Combined Heat and Power (CHP) in the Wave leisure centre.

Audits of the councils corporate estates and housing stock have also been completed to highlight how these buildings can be retrofitted to increase energy efficiency. The council also regularly reviews its estate to identify and install appropriate energy saving and renewable technologies.

The installation of infrastructure is key to ensure targets are met. The council is planning to install more electric charging points in its car parks to support the increase of electric vehicles ahead of the 2030 ban of petrol and diesel cars. It also has plans to transition its vehicle fleet to electric or low emissions vehicles by April 2022.

The adopted Arun Local Plan identifies improved transport infrastructure and active travel routes across Arun to ensure transport hubs are connected and to allow residents to travel safely and sustainably.

Biodiversity

In addition to a move towards energy efficient technologies the council is working to protect and enhance biodiversity within Arun's natural environments.

Habitat improvements have been implemented within our woodlands through the management of trees, ensuring that the right tree is planted in the right place.

The councils ten-year tree planting strategy will ensure our district has a diverse and sustainable tree population. Where possible, management is in place to recycle biomass in situ to encourage balanced and healthy woodland habitats.

Grasslands and wildflower meadows are managed in a positive and proactive way to ensure they can provide the maximum possible benefit to biodiversity. For example, keeping pockets of longer grass extends the benefits of these habitats providing a valuable source of food for a variety of insects, small mammals, and birds. In total the council has twenty-five wildflower meadow sites, with the first being developed in the 1990's and now takes part in initiatives such as 'No Mow May' to protect habitats for pollinators during important stages of their life cycles.

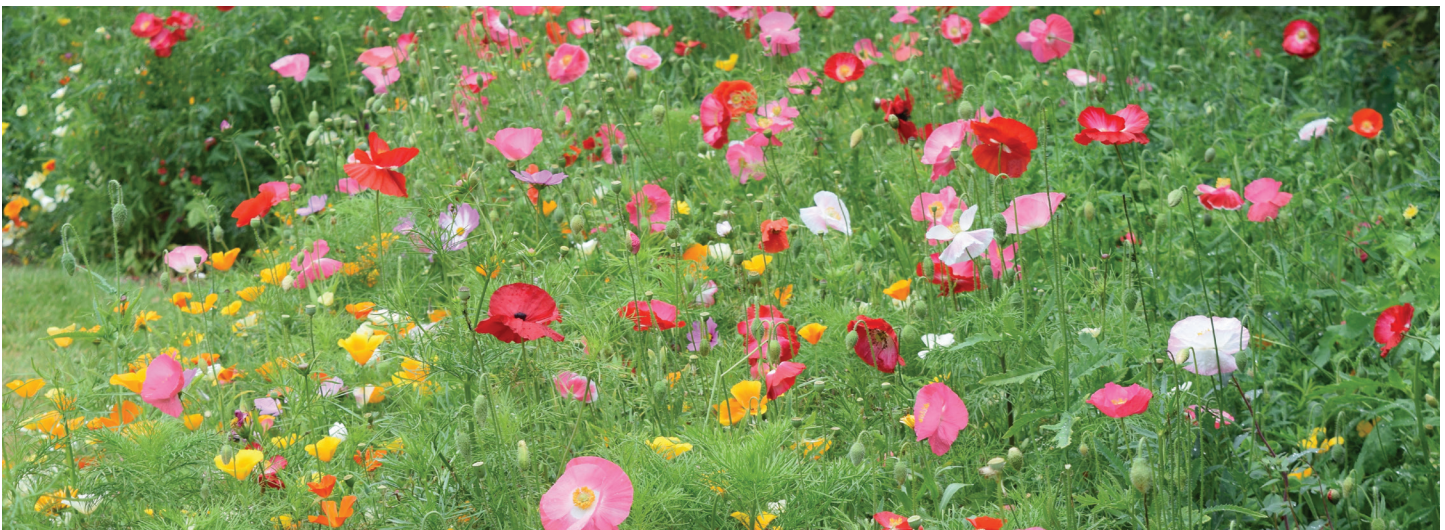
Recently there has been exciting progress with the Sussex Kelp Restoration Project, stemming from the new implementation of the 'Sussex Nearshore Trawling Byelaw (March 2021)'.

This protects the seabed from fishing activities and stretches from Brighton towards Selsey. The Sussex Kelp Restoration Project project is a collaboration of local and national organisations to provide protection for and help regenerate the kelp beds in the Sussex bay area. Arun is actively engaging with the project with an aim to help restore these kelp beds off our coast.

Energy and economic impacts

Economic impact – we wish to empower business across Arun to think more about their environmental impact. Not only will this help reduce emissions, but it will also give them an advantage as they lead the way to a new greener economic model. This, in turn, will provide more locally skilled jobs for residents and ensure a migration towards a circular economy.

Reduced bills and running costs – encouraging the implementation of more energy efficiency technologies for both homes and business and extend the use of renewable energies.



Wildflowers in Old Rectory Gardens, Felpham



The strategy

The council has a vision that in 2030 Arun will be a carbon neutral council

Climate change requires a global and united response to take action to decrease emissions and change established behaviours. The council is keen to play its role in the fight against climate change by ensuring its own emissions are reduced. This will be achieved by improvements to our estate, services and reducing our Scope 1, 2 and 3 emissions, with a target to become carbon neutral by 2030.

There is no rule book on how to tackle climate change and no one has all the answers. The council has developed this strategy and expects it to evolve as the science improves and new technologies and practices are discovered.

Detailed baseline calculations have been undertaken for each of the councils Scope 1, 2 and 3 activities to enable the council to monitor its performance in reducing its emissions.

Category	Description	Example
Scope 1	Direct emissions from sources owned/ controlled by the council	Burning of fuels for heating and petrol/ diesel for our fleet
Scope 2	Indirect emissions from the generation of energy purchased by the council	Purchase of electricity and the associated emissions
Scope 3	Indirect emissions that result from activities occurring in the supply chain of the council, both upstream and downstream	Purchased goods and services, leased assets, business travel, employee commute, investments

Source: The Greenhouse Gas Protocol (ghgprotocol.org) categorises emissions into three groups or scopes as defined above.

The council's carbon footprint

A detailed study of the councils sources of carbon

Analysis was undertaken by CO2 Analysis (CO2A) on all of the councils emissions, including Scope 3, to allow for a full set of baseline emissions to be calculated. Scope 1 and 2 make up only a small percentage (1.90%) of the total, with most emissions lying within Scope 3, which is common across other LA and businesses. It is important that all sources in the council's carbon footprint are addressed and are included within the target to ensure that the impact is as large as possible.

Scope 3 emissions can be difficult to reduce, however the council is able to influence its suppliers to be carbon neutral thus reducing its overall footprint. The table below illustrates that the largest opportunity is within Scope 3.

Scope	Carbon (tonnes of CO2e)	Spend (£)	% of emissions	% of spend in £
1 and 2	392.02	726,115	1.90	1.457
3	20,259.45	49,111,516	98.10	98.543

The council will continually challenge its plans and push to reduce emissions. It will also work with staff to make important behavioral and operational changes to achieve carbon neutrality by 2030.

Scope 3 in brief

For the majority of organisations most emissions lie within Scope 3, with the supply chain being the largest single emitter as all goods and services have carbon associated with their products and activities. Emissions are further increased as the UK is heavily dependent on imports from other countries whose energy systems may not be as efficient as those found here.

The Financial Times Stock Exchange 100 index shows that on average companies Scope 1 & 2 emissions make up 14.5% and Scope 3 makes up the remaining 85.5% of emissions. Arun District council has a slightly higher results, but they are in line with the FTSE 100 average.

Measuring and reporting

Measuring and monitoring the councils progress to net zero will be key to ensure the 2030 target is achieved. Undertaking reviews will highlight projects that are succeeding, those which are not performing as expected and opportunities to initiate new projects. This is an ever-evolving document with room to develop, grow and change.



Methodology

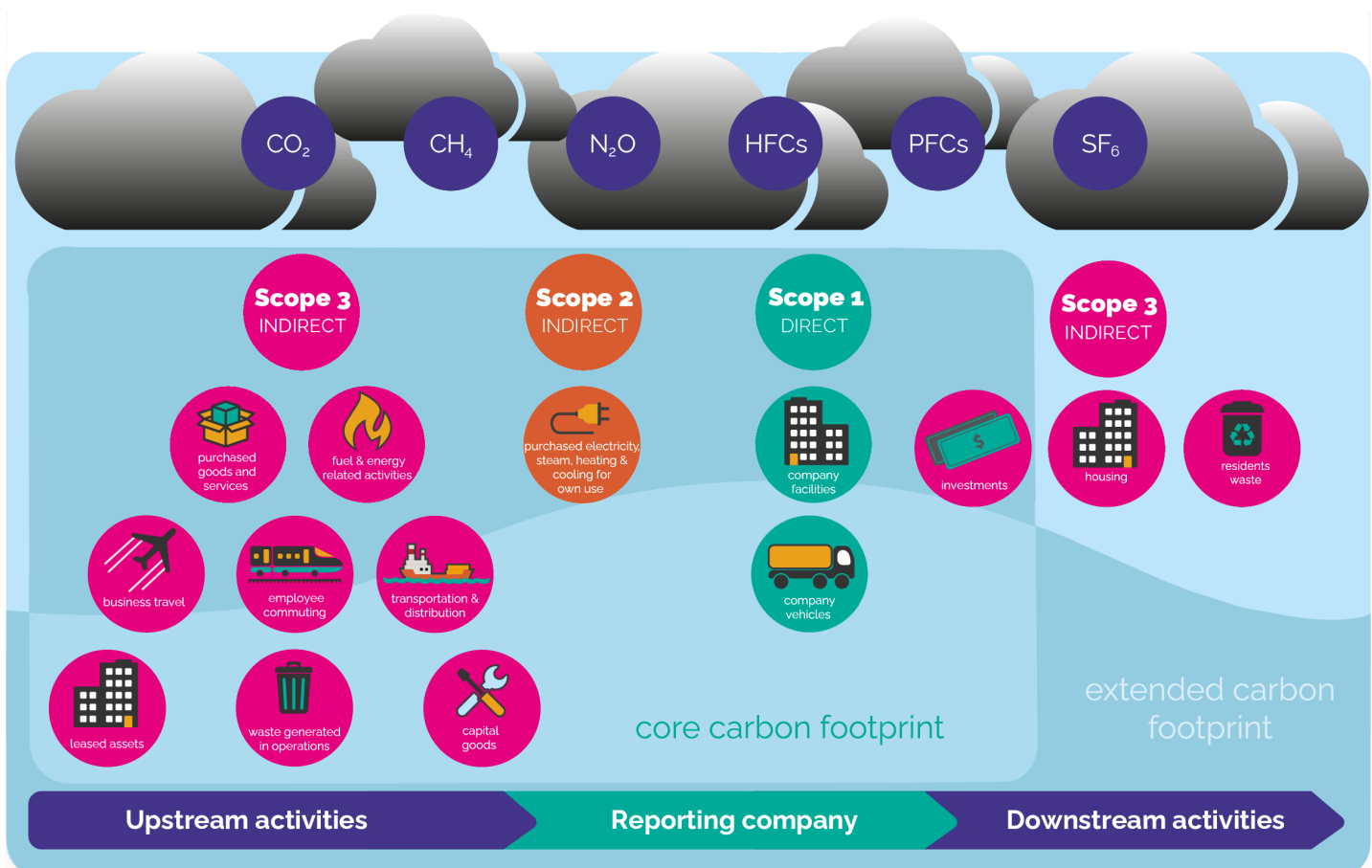
To calculate the councils carbon footprint a number of tools were employed, using standard DEFRA carbon intensities and a proprietary algorithm. This approach has provided an accurate review of the emissions the council can control, how much carbon is present in the goods and services procured and a measure for each of the Scope 1, 2 and 3 emissions. It also gives an insight into the councils suppliers and how much carbon they contribute to the councils overall emissions. Using this methodology, the council will be able to monitor its total emissions as it progresses on its carbon neutral journey.

This data driven method gives a high degree of assurance in the measurements and provides the granular detail to allow the council to identify and tackle the sources of emissions with confidence.

Housing

To determine the best route to net zero carbon for the councils 3,500 properties a high level desktop assessment by Parity Projects was commissioned. Over the coming months a more detailed analysis will be undertaken which will inform the council's strategic approach and a roadmap to meet this target. Options being considered include retrofitting to passive house standards, improving cavity/ roof/floor insulation, optimising and upgrading heating systems and the installation of solar panels on roofs of larger blocks of flats to allow for onsite renewable electricity generation.

It is anticipated that some future funding will be made available through central government to contribute to achieving the target. Currently the funding option that the council is exploring



is the 'Social Housing Decarbonisation Fund'. In total the government is making available £3.8bn over a 10-year period; which Housing Providers will have to bid for. The council will be sure to utilise all funding opportunities as and when these become available.

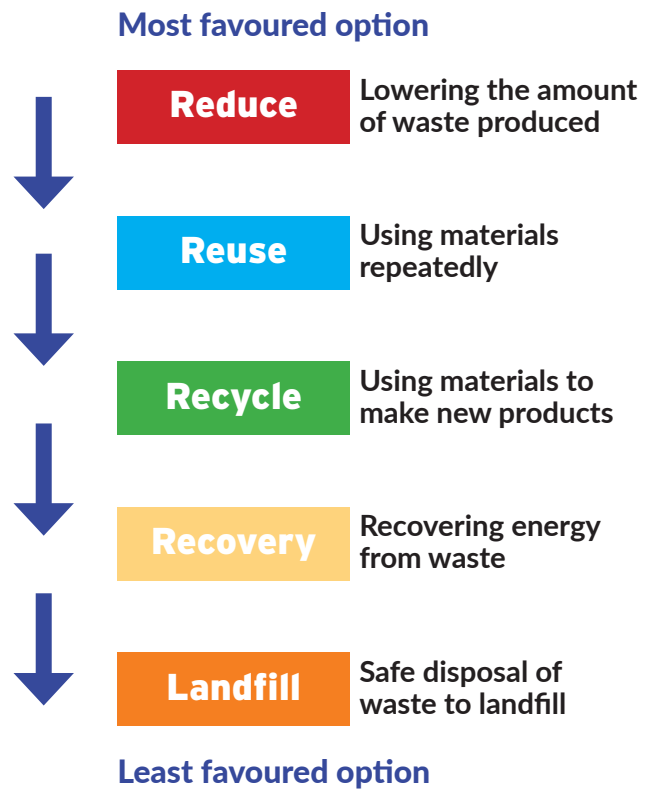
Waste

The waste produced within Arun is generated mostly from its residents (11.62% of extended footprint), with only a small fraction being produced by the council's offices (0.08% core carbon footprint). How the council chooses to deliver the waste collection services can have a significant impact on the behaviour of residents as this determines how often waste is collected and how it must be sorted. Education is another important factor in helping to reduce waste, and it will be vital to continue to inform residents on the importance of the waste hierarchy, recycling and cutting back on single use plastic.

The council must align itself with the governments emerging 'Resource & Waste Strategy' and commit to support the principles of the waste hierarchy in the delivery of its waste services. This strategy is likely to have far reaching consequences in respect of extended producer responsibility (EPR) and the principle of 'producer pays', alongside the potential for Deposit Return Schemes (DRS); which should have a positive impact on the volume of single use plastic in the system.

The council is currently undertaking a 1-2-3 Food Waste collection trial, which is a positive first step in relation to reducing household waste production. This trial encourages residents to not only recycle more but to also separate food waste from their general waste bin by providing weekly food waste,

biweekly recycling, and triweekly general waste collections. A waste collection system which helps support a reduction of food waste and general waste will ultimately contribute towards reduced demand for food production and emissions, helping with the fight against climate change.



Carbon breakdown

Scope	Service area	Carbon (tonnes of CO2e)	Spend (£)	% emissions	% spend in £
One and two	Gas	132.42	161,944	0.64	0.325
	Petrol/diesel	43.30	22,114	0.21	0.044
	Electricity	216.30	542,057	1.05	1.088
Scope total		392.02	726,115	1.90	1.457
Three	Purchased goods, services & capital goods	17,942.98	48,936,033	86.88	98.191
	Fuel and energy Related outside Scope 1 and 2	35.82	0	0.17	0
	Water/sewage	80.02	103,250	0.39	0.207
	council waste	16.00	20,650	0.08	0.041
	Business travel	36.11	51,583	0.17	0.104
	Employee commuting	397.00	0	1.92	0
	Leisure centres (scope 1 and 2)	1,051.52	0	5.09	0
	Housing (use of sold products)	0	0	0	0
	Investments	700	0	3.39	0
Scope total		20,259.45	49,111,516	98.10	98.543
Total		20,651.47	49,837,631		



Priority areas

Supply chain

86.88% of carbon/ 17,942.98 t CO2e

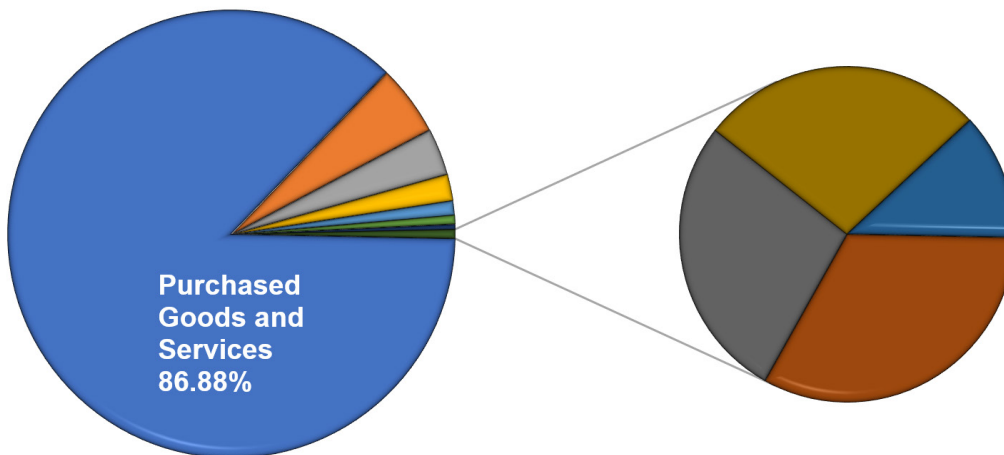
This is the largest part of the council’s carbon footprint and so it is vital that our suppliers are encouraged to reduce their carbon emissions. Though it is not an area that the council can directly control it does have influence over suppliers through its procurement policy. This is in line with the work being carried out within the NHS and central government.

To have the greatest impact, and therefore the largest reduction in emissions, changes to the council’s procurement policy must encourage suppliers to adopt their own carbon reduction practices. When tendering contracts, the process should include a carbon reduction statement. A further measure to drive down Scope 3 emissions could require companies to be actively working towards becoming net zero or carbon neutral.

In June 2021 central government mandated that from the 30 September 2021 all suppliers tendering for contracts with a lifetime value of £5m or above will be unable to bid if they

cannot show a baseline measure and a plan to achieve net zero with agreed timescales. In line with this the council undertook a review of our largest suppliers against the Crown Commercial Contracts. It was found that this mandate impacted 22 of the councils suppliers who are responsible for 10% (or 2000 tonnes) of the total emissions. Ensuring that the councils procurement activity is harmonised with that of Crown Commercial Services gives a straightforward way to measure how this will also contribute to reducing the councils carbon footprint.

Of the 1674 contractors used within the last two years, half have been within local postcodes (386 within PO and 472 in BN). By sourcing locally, the council not only helps reduce emissions and congestion associated with transport but also supports local job opportunities and the local economy. Working with local suppliers to reduce their carbon emissions will benefit the council and the environment.





Priority areas

ENERGY

Petrol/diesel

0.21% of carbon/43.30 t CO₂e

The council is currently installing the infrastructure required to support the transition of its vehicle fleet to electric cars and small vans at a number of locations. This is on track to be completed by April 2022.

The council is also working with its waste collection and grounds maintenance contractors to use alternatively powered vehicles and equipment to reduce the emissions associated with petrol and diesel usage.

Gas

0.64% of carbon/132.42 t CO₂e

Only a very small percentage of the council's emissions are a result of gas usage for heating in its corporate buildings. These can be reduced by improving building insulation and moving to more energy efficient technologies, such as heat pumps or CHP units.

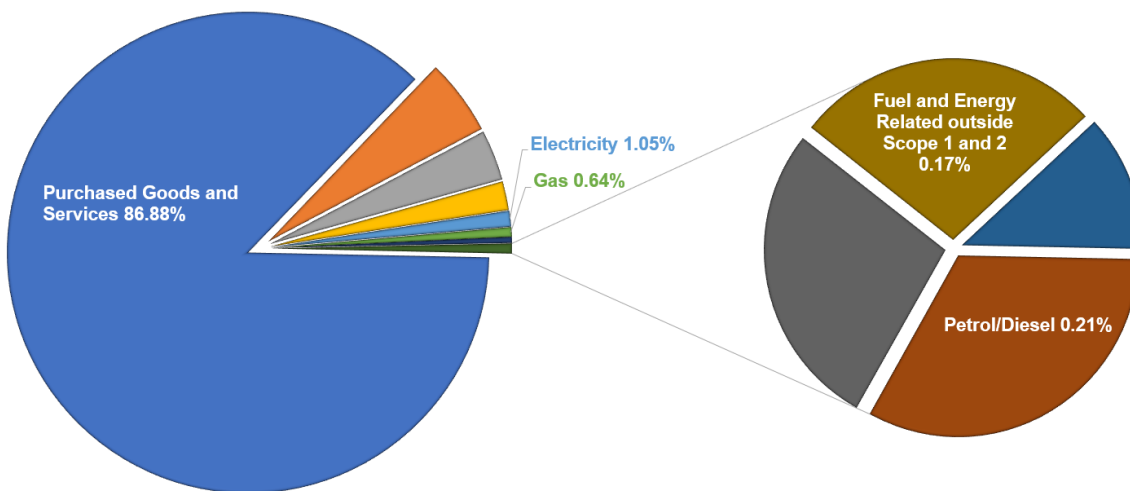
Electricity

1.05% of carbon/216.30 t CO₂e

As detailed above, demand is linked to the council's corporate buildings and can be reduced using the same recommendations, such as improving insulation and air tightness and reviewing our underutilised space. It should be noted that if heat pumps or electric boilers are installed there will be a corresponding increase in emissions associated with electricity. However electric based emissions have a lower impact when electricity is procured from renewable sources and the council is currently looking to move to a renewable tariff.

Fuel and energy related outside Scope 1 and 2

0.17% of carbon/ 35.82 t CO₂e
 These are the carbon losses from transmission of electricity and the extraction of gas for usage; and will reduce in-line with gas reduction and improvements in the local generation of electricity.





Priority areas

OTHER EMITTERS

Leisure centres

5.09% of carbon/1,051.52 t CO₂e

All the councils leisure centres are outsourced to a leisure operator with an ambition to be net zero by 2050. Similar, to the councils approach to reducing Scope 1/2 emissions the leisure operator will be encouraged to address its electric/gas usages by upgrading to more efficient technologies, improving building fabric and installing renewables.

Similar to the councils approach to employee commute, it will strive to encourage staff travelling for business purposes to use public transport, active transport or virtual meetings before using gas/diesel cars. There is also an opportunity to implement pool cars.

Investments

3.39% of carbon/700 t CO₂e

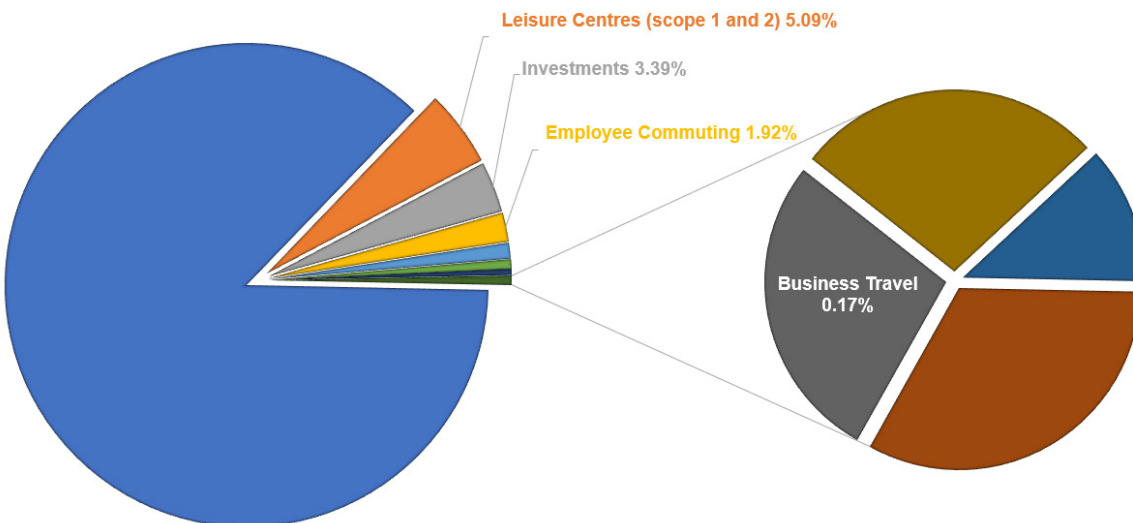
The council's main long-term investment manager, CCLA LTD, has an agreed plan to reduce the emissions intensity and to achieve net zero by 2050, therefore these should be addressed according to their carbon reduction strategy.

Employee commute and business travel

1.92% of carbon/397 t CO₂e and

0.17% of carbon/36.11 t CO₂e

The council has achieved a significant reduction in carbon emissions during the COVID-19 pandemic. The council has adopted a flexible approach to working from home, however, there will likely be an increase in emissions associated with commuting as staff start to return to the office.



High level actions

To ensure that the council can reach its carbon neutral target, some high level actions have been proposed to show requirements going forward:

PRIORITY 1 – SUPPLY CHAIN

- Adapt procurement policy to reflect requirements of new contractors to be working to reduce their emissions
- Review tendering process to ensure contractors who are addressing their carbon footprint are favored
- Contract managers to identify and highlight existing contracts over £5m
- Contract managers to review and highlight when contracts are up for renewal
- To produce a phased approach to moving over all contractors to those who are working towards carbon neutral goals
- To provide help and support to local contractors on their journey to become carbon neutral

PRIORITY 2 – ENERGY

Petrol/diesel

- Ensure sufficient EV infrastructure is installed for use by councils fleet
- Review additional locations which would benefit from the installation of EV infrastructure
- Review options for EV pool cars to be incorporated into the council's car fleet

Gas & electricity

- Review additional measures highlighted in buildings audits which have not been actioned
- Commission additional energy audits where required
- Develop an installment and upgrade plan on a building-by-building basis

Electricity generation

- Currently there are no feasible locations on council owned land for electricity generated from wind, tidal or hydro activities
- To track options for investments in locally generated renewable energies

PRIORITY 3 – OTHER EMITTERS

Leisure centres

- Work with Freedom Leisure to determine the best course forward to reduce their Scope 1 and 2 emissions

Commute & travel

- To start to encourage the use of active travel, public transport or car sharing to staff who chose to return to the office

Other

- Commission a formal requirement needs assessment on the council office space
- Undertake an appraisal of the council's online resources and ensure these are fit for purpose – in line with the Customer Service Strategy
- Implement the tree planting strategy on council's own land
- Support the Sussex Kelp Restoration project
- To provide council wide training to staff to increase carbon literacy
- To continue to work with staff to determine additional carbon saving opportunities in their areas of expertise
- Review planning policy to ensure that the council is supporting and encourage rewilding, nature-based solutions, and implementation of biodiversity improvements within the district

- Review funding opportunities to help further advance council projects
- Review offsetting opportunities

The council will seek to identify the most suitable ways to report and share progress with its partners, residents and the wider community and encourage them to reduce their own carbon footprint.

A detailed action plan is will provide a pathway to meet the council's 2030 carbon neutral target.



The council will seek to identify the most suitable ways to report and share progress with its partners, residents and the wider community and encourage them to reduce their own carbon footprint.





Think local

A healthy and stable environment is key to the function of society. It ensures that we have the abundance of raw materials required for the resources we use in our daily lives, including soil used to grow produce, the clean air we breathe and the natural defences that protect our infrastructure as well as helping with our fitness and mental wellbeing. If we are able to embrace the challenges that we face in our fight with climate change by reducing emissions and changing our behaviours, there are a number of benefits to be gained.

A cleaner district

By encouraging and facilitating the transition to electric vehicles there will be a reduction of emissions, helping fight against climate change and improving the air quality within the district. To see the largest impact, it will be important to ensure this occurs across all vehicles, including private car ownership, public transport, and the council's own fleet.

Reducing single use plastics

Another important step to help ensure Arun becomes cleaner. Plastic bags, straws and utensils often make their way into our habitats causing pollution and, in some instances, direct damage to animals and plants. By swapping over to biodegradable and reusable this impact will be lessened, along with the high emissions required to produce these single use plastics.

A greener district

Arun is lucky to have a variety of ecosystems within its boundaries for residents to enjoy. All these habitats, and the organisms that inhabit them are vulnerable. By reducing the impacts on the environment, protecting nature and choosing nature-based solutions, we will ensure that the biodiversity within these natural areas is protected and robust enough to deal with climate change.

A healthier district

Health and wellbeing is directly correlated to that of our surroundings. By reducing emissions, we will ensure residents are able to live cleaner and healthier lives. Actively enhancing and increasing natural areas will help to ensure the protection of our green spaces, as well as improving the health of our community

A fitter district

Active travel will play an important role in helping society become more sustainable. It has been shown that where there is access to safe cycling and walking routes people tend to become less reliant on cars for transport, reducing emissions. There will also be other benefits, including a healthier and fitter population as people become more active.

A reduction in congestion and noise pollution will also be seen as fewer cars are on the road. To aid travel across the district it will be important to ensure that transport hubs, such as train stations and bus stops, are connected via safe, active transport links.

Offsetting

Even with the most optimistic approach there will still be emissions that cannot be reduced. Where this is the case sequestration and carbon offsetting will be used to balance out the remainder of the council's emissions. Native tree planting is a common approach which can easily be implemented. The council's 10 year tree planting strategy will help with this goal and ensure the right tree is planted in the right place, at the right time.

The Sussex Kelp Restoration Project may also hold some exciting opportunities for carbon offsetting. Although at this stage in the project it is not clear how significant this will be.



Appendix 1

1. Breakdown of Scope 1&2

Gas

120 tonnes Co2e - top properties only

The usage from the below sites were calculated from the billing period of 2020-2021 due to meter readings not being available from 2019-2020.

Site	Year	Mwh	tCo2e
Arun Civic Centre	2020/21	446	91.00
Bognor Regis Town Hall	2020/21	144	29.00
Total	—	590	120

Petrol/diesel

43.30 tonnes Co2e - 0.21%

Petrol/diesel usage was based off using the records for the amount spent between 2020 and 2021. Allstar is used to record fuel usage.

Electricity

136.41 tonnes Co2e – top properties only

The usage from the top 8 properties were calculated from billing information from 2019-2020 and 2020-2021.

Site	Year	Kwh	tCo2e	% Of Year Total	%YoY
Arun Civic Centre	2020/21	347,012.10	80.90	37.40%	-42.22%
Community Park Fort Road	2020/21	66,497.00	15.50	7.17%	+8.24%
Bognor Regis Town Hall	2020/21	46,435.40	10.83	5.01%	-20.15%
Hotham Park Heritage Trust Hotham Park Lodge	2020/21	53,487.20	12.47	5.77%	+4.87%
Underground Toilets The Esplanade	2020/21	12,882.50	3.00	1.39%	-63.72%
Workshop Garage Hotham Park	2020/21	25,954.90	6.05	2.80%	+12.38%
Council Depot Harwood Road	2020/21	20,427.00	4.76	2.20%	+22.99%
Old Fire station Clarence Road	2020/21	12,447.00	2.90	1.34%	-34.35%
Total	—	585,143.10	—	—	—

2. Breakdown of Scope 3

Leisure centres – gas and electricity 1,051.52 tonnes Co2e – 5.09%

Leisure centres are outsourced to Freedom Leisure who have a target of 2050. 2019-2020 data was used as this is the predicted usage going forward.

Leisure centre	Carbon footprint 20019/20
Arun Leisure Centre	Electricity 153 tonnes Co2e (14.55%) Gas 266 tonnes Co2e (25.33%) TOTAL: 419 tonnes Co2e (39.85%)
Littlehampton Wave	Electricity 111.92 tonnes Co2e (10.64%) Gas 465 tonnes Co2e (44.22%) TOTAL: 576.92 tonnes Co2e (54.87%)
Bersted Park	Electricity 6.6 tonnes Co2e (0.63%) Gas 14 tonnes Co2e (1.33%) TOTAL: 20.6 tonnes Co2e (1.96%)
Windmill Theatre	Electricity 13.4 tonnes Co2e (1.27%) Gas 21.6 tonnes Co2e (2.05%) TOTAL: 35 tonnes Co2e (3.33%)

Investments

700 tonnes Co2e – 3.39%

Investments are measured under the greenhouse gas protocol, by considering the total emissions of the organisation being invested, and then splitting this amongst the shareholders according to the % that they own of the organisation. e.g. if you own 10% of a company that emits 1,000 tCo2e then you are responsible for 10% which is 100 tCo2e.

The council uses CCLA (Churches, Charities and Local Authorities) Investment Management limited, and all investments were measured at the June 2021 portfolio holdings and value.

	£million	tCo2e	% emissions
Equity	£7.00	367.23	52.5%
Interest	£71.95	332.05	47.5%
Total	£78.95	699.28	–



Appendix 1 (continued)

Employee commute

397 tonnes Co2e - 1.92%

Employee commute was measured for the 5-year pre-COVID period using health care travel outcomes tool and published figures for the number of employees.

Water and sewage

80.02 tonnes Co2e - 0.39%

Detailed translation level data was extracted from the council's finance system and was reconciled against Water and Sewage bills to determine emission rates. An average over 2 years was used as there were several billing adjustments

Business travel

36.11 tonnes Co2e - 0.17%

Emissions were calculated between 2020-2021 and are a mix of business travel and personal mileage expenses. Business travel expenses were extracted from the financial statements and mileage was calculated from expenses.

Waste (council produced)

16 tonnes Co2e - 0.08%

Emissions from the waste production was calculated between 2019-2020 using the spend as total waste was not available.

To calculate the councils carbon footprint a number of tools were employed, including standard DEFRA carbon intensities, algorithms and the use of Artificial Intelligence to analyse the supply chain carbon footprint to individual product and service level. For further details please refer to the Consultants findings document. Please note that some of these numbers have been rounded up or down.

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF CORPORATE POLICY AND SUPPORT COMMITTEE ON 14 OCTOBER 2021

SUBJECT: Financial Prospects 2021/22 to 2025/26

REPORT AUTHOR: Carolin Martlew, Interim Group Head of Corporate Support and s151 Officer

DATE: September 2021

EXTN: 37568

AREA: Corporate Support

EXECUTIVE SUMMARY:

The Council's Medium-Term Financial Strategy (MTFS) covering the period up to 2025/26 rolls forward and updates the data in the existing approved MTFS. The Strategy amends certain assumptions contained in it to reflect changes in the Council's circumstances and other issues that have a strategic bearing on the Council's financial prospects.

RECOMMENDATIONS:

Committee is recommended to:

1. Agree the core assumptions set out in the Medium-Term Financial Strategy and the current financial position;
2. Note and agree the significant risks to local government finance that have been outlined in the report; and
3. Approve that the Medium-Term Financial Strategy is to be used to set the Budgetary framework in preparing the 2022/23 Budget

1. BACKGROUND:

This report specifically covers the Council's General Fund as the Housing Revenue Account has its own business plan and financial model. The latest financial forecast has been prepared against a continuing backdrop of unprecedented uncertainty over Government funding and the economy which has, inevitably, been compounded by significant issues connected with the continuing COVID-19 crisis.

This report contains the latest version of the MTFS which uses the most recent information available to forecast the Council's income and expenditure over the next 4 years. The situation is even more fluid than last year as the COVID-19 crisis has created greater uncertainty. It was expected that the spending review would be launched in July 2021, with the Chancellor making an announcement before the summer parliamentary recess.

However, this was delayed until September at the earliest, along with an announcement on social care. The social care announcement has now been made and is discussed below. The delayed “formal launch” will provide “details for how much overall government spending will rise by in the next financial year”. The delay probably also makes a November announcement more likely than October.

The Chancellor’s expected launch statement should give a broad outline of the spending totals that are available – but details about the package for local government in 2022-23 will not be known until later in November, or even the provisional settlement in December 2021. It was hoped the spending review will cover the remainder of the parliament, but the tight timescales might now make a one-year settlement more likely, similar to recent years. This gives rise to difficulties in medium term financial planning.

Recent Institute of Financial Studies analysis states that “government support to local government largely met pandemic-related pressures in 2020-21”, and probably in 2021-22 as well. But “problems loom” from 2022-23 onwards and the sector will require support from central government “potentially running into the billions”. Yet, based on current plans, local government can expect real-terms cuts in funding from 2022-23 onwards. This is shown in the MTFs and discussed further below.

The government’s Fair Funding Review and Business Rates Reforms are now expected to be implemented with effect from 2023/24. These coinciding changes are expected to wipe out the considerable business rates growth that has accrued to the Council since the inception of the current scheme in 2013/14. This leaves the whole situation extremely uncertain as BRRS will be the main source of funding for the Council and makes forecasting an inexact science. Inevitably, informed assumptions on this key variable have had to be made and as there has been no adjustment to the scheme in 2021/22, the changes are expected to materialise from 2023/24. Members have previously been advised there will be a huge detrimental effect on the Council if the accumulated growth is distributed evenly across the country.

The financial effects of COVID have been severe for the Council, in common with other local authorities across the country. The first UK lockdown commenced on 23 March 2020. At that stage, the Council anticipated approximately £1.993m of net additional expenditure and an estimated loss in income of approximately £2.52m during 2020/21. There were noticeable reductions in income from licences and property & estates, whilst Planning income remained buoyant. However, a gradual return of most income streams did occur, although not to the levels previously budgeted for. The Government provided a range of support in the form of grants and relief. For the financial year 2020/21, the Council received a number of grants which included £56m support for businesses, £945k Council tax Hardship fund, £2.37m C-19 support grant, £931k service related and £1m Sales, fees and service support grant.

In addition, there were a number of Business Rates grants schemes initiated by the Government to support Business throughout this pandemic. These were administered by the Council

The Council is eligible for 75% Tax Income Guarantee (TIG) for the loss of income on Council Tax (£62k) and Business rates (£689k) as a compensation for the decrease in collection during 2020/21 due to COVID19.

The Collection Fund had a deficit of £26m at 31 March 2021 – this is repaid by the precepting authorities over future financial years. Arun's share of the deficit of £9.3m is shown in the Collection Fund Adjustment Account and is due to be repaid over a period of three years commencing 2021/22 to 2023/24.

However, due to sound financial management and the welcome central government support, the outturn showed a balanced General Fund and a material increase in earmarked reserve balances at 31 March 2021.

In preparing this report, a number of more detailed assumptions have been reviewed and input into the financial model. This uses a wide range of strategically important financial assumptions and variables to obtain an informed view on year end balances, and to quantify the potential of any capital programme resources whilst maintaining a minimum level of General Fund balances of £4million. The assessment of the various assumptions is always considered carefully whilst taking a prudent view.

It must be appreciated that with a financial strategy it consists of a series of assumptions using the best available information to inform a financial forecast. As in last year, this is even more challenging than in previous years due to delayed expected changes in government funding combined with the ongoing effects of the Corona virus pandemic.

It has therefore been necessary to make changes/updates to some of the previous assumptions to address all of the factors which affect the Council. The principal assumptions made are:

- Council Tax increases by £5 per annum which is currently the maximum allowed for similar District Councils;
- There is an inflationary increase in salary costs in 2022/23. Thereafter an increase of 2% per annum is estimated. The effect of the government's recent announcement increasing National Insurance contributions from 2022/23 is included;
- If possible, the model assumes cash limited sums for goods and services (no inflationary rise) for the period, otherwise inflation is provided for;
- The most up to date figure available has been used for the lump sum payable to the pension fund which was reflected in the latest report from the actuary for 2022/23. At that stage, a triennial valuation is due. Until this is confirmed, it is assumed the 2022/23 figure remains constant over the reporting period.
- It is assumed all discretionary fees and charges imposed by the Council increase by at least 2.5% per year.

It is difficult to model enhancements to the capital programme and to calculate the resources that will be available due to the funding uncertainties and slippage caused by the pandemic. There is, inevitably, a requirement to allow for business-critical IT systems and infrastructure as systems fall out of maintenance/support and become life expired. It is clear that the Council will have to take a prudent approach regarding capital/one off schemes.

It has been assumed that the Council continues with the enhanced capital programme, but this will have to be a subject for discussion and review given the financial challenges that the Council is facing. It is essential that expenditure continues to be prioritised for the essential maintenance programme to ensure that operational assets are maintained at the required standard for service delivery.

The forecast also includes the assumption of £500k for one off pump priming projects to help progress Council priorities. As in previous years the Council will underpin its capital programme with the use of capital receipts to protect scarce revenue resources.

The most volatile and significant variable continues to be the Retention of Business Rates, as detailed above, but a further significant funding source is New Homes Bonus (NHB) which is dictated by housing growth within the District. However, latest information regarding NHB is that the Government will wind down the scheme and no income will be received from 2023/24. No information is currently available for a replacement scheme.

The following section outlines a number of risks that are associated with the MTFs and how these may be mitigated.

2. PROPOSAL(S):

Risks

The most serious financial risk that the Council is facing is the potential implications of changes in Local Government funding as outlined in the preceding section. From 2023/24, if the projections are correct, a material recurring deficit appears on the General Fund Budget.

There are a number of risks around the retention of Business Rates which is the major funding source from central government and will likely be the sole source in future. The effect of COVID19 on the economy and on business rates has made fundamental changes to business rates or, even, replacement with a different business tax much more likely. Whilst the best available information has been used, as outlined above, there is also a risk that the level of business rate appeals will be more than has been anticipated and this risk lies with local government. As mitigation against this significant risk and the detrimental funding changes expected, the Council has enhanced the Funding Resilience Reserve. It is pleasing to note that during 2020/21, a contribution of £833k was made to this reserve increasing the balance to £6.66m. This will provide a valuable buffer when central government funding is anticipated to reduce and will act as a hedge against the economic effects of COVID19. However, this reserve should not, solely, be used for supporting the budget as it could also, potentially be used to pump prime transformational projects. It is acknowledged, however, that this is a temporary finite measure and the underlying funding gap will have to be addressed by the Council.

The proposals concerning NHB are a significant concern and the assumption is that this will be ceased after 2022/23 with no replacement available. Again, all that can be done is to monitor the situation closely and retain a reserve, as outlined above, to address the anticipated funding shortfall.

The income from Council Tax is generally relatively certain but the expected recession resulting from COVID19, and the expected increase in unemployment once the furlough scheme is wound down means there could be an adverse effect on the Council's taxbase (i.e. could offset or wipe out any gains from new dwellings). This would happen if the increase in unemployment caused an increased number of people to seek support from the Council Tax Reduction Scheme which reduces the taxbase. This creates greater risks and uncertainty in forecasting. In addition, as a result of courts being closed during the COVID19 outbreak, implementation of Universal Credits and unable to secure debts with DWP it is proving more difficult to collect Housing Benefit overpayments. This is likely to continue until backlogs are reduced.

There are also other expenditure pressures in a number of areas, notably leisure, especially since reopening the leisure centres, and these will be monitored closely and the effect of these reflected in the financial strategy. Regular meetings are taking place with the Leisure services provider. Latest projections received from the provider indicate that a shortfall in contact income is likely in 2021/22. The Provider projects income levels to be restored by April 2022 so no adjustment has been made to the MTFs for this at this stage.

Due to the United Kingdom leaving the EU, the COVID19 pandemic and extensive forest fires throughout North America and Europe, certain commodities and labour are in short supply. This may have an effect on the Council's ability to provide services and deliver its capital programme.

On 8 September 2021, the government announced its intention to increase National Insurance contributions by 1.25% to assist with funding the National Health Service and assist with the social care funding crisis. The increase will be applicable from 1 April 2022 and is on both employee and employer contributions. This represents an increase of £120k per annum in cost to the Council and is built into the projections.

The Council's current Cleansing contract expires on 31 January 2023. A replacement contract will be procured. There is a risk that a new contract may result in a significant increase in cost. Should this be the outcome, Members will be advised at the earliest opportunity. Obviously, efficiencies and savings will be sought in pre-contract preparation and negotiations.

Whilst the extent of funding cuts on Arun remains largely unknown it is vitally important to mitigate, as much as possible, against such significant risks. The most effective mitigation against this is to hold sufficient balances to ensure that the Council has enough time to plan and implement any reductions in expenditure and are not obliged to make rushed or ill informed decisions. It is also important to ensure that a robust approach is taken to any investment decisions and stipulate that all are accompanied by a thorough business plan which clearly outlines all costs and benefits. In addition, all decisions must be prudent, affordable and sustainable and any planned savings are realised.

Indicative Projections

The following table shows the current situation given all of the assumptions and omissions outlined above. These will be, inevitably, be fine-tuned as more information becomes available and have to be read in conjunction with all of the caveats and uncertainties outlined earlier in the report. It should be stressed that the balances figures are purely indicative and show what the situation would be if no remedial action were to be taken. In practice, the Council will need to fully assess the implications of any reductions in external funding and develop a strategy to make the necessary reductions in net expenditure to ensure a prudent level of balances is maintained.

The effects of the above assumptions are summarised in the table below:

	2021/22 £'000	2021/22 Revised £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Net Expenditure	25,897	25,897	26,405	27,076	27,739	28,377
Surplus/ (Deficit)	0	0	(1,510)	(4,515)	(3,774)	(3,415)
Funding Resilience Reserve				4,515	2,144	
Balances	7,076	7,076	5,566	5,566	3,936	521

When considering the figures above it is important to consider the issues outlined earlier in the report and, especially the uncertainty regarding central government funding and they can only be regarded as indicative at this stage. The underlying financial position is masked to a certain extent by the ongoing effects of the COVID19 pandemic, the earmarked reserve contributions, from the Funding Resilience Reserve to cover the reduction in external funding, but the effect of that can be seen above. However, given the expected reduction in funding the trend of deficits is not surprising. It is fortunate that the Council's prudent financial management has resulted in sufficient balances in hand which will enable a strategy with a measured approach to be formulated. In addition, the strategy will be refreshed as detail emerges at the earliest opportunity.

The Council are already taking positive steps to address the sizeable deficit outlined above and recruitment to all vacant posts have to be approved by Corporate Management Team (CMT) before they are recruited to and managers are expected to make savings when recruiting. In addition to this, the Chief Executive is leading on a comprehensive savings exercise with the aim of making significant reductions to the Council's base budget. However, given the additional problems caused by COVID19 this has not progressed as expected. Therefore, it is essential that the Council review and develop a strategy to address the savings target indicated in the table above.

The likely deficit for the 2022/23 budget will be dependent upon any additional Government support that may be announced at the time of the settlement and any dampening for future years.

3. OPTIONS:

1. To accept the assumptions outlined in the strategy.
2. To not accept the assumptions outlined in the strategy.

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓

	YES	NO
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)		
Financial	✓	
Legal	✓	
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability	✓	
Asset Management/Property/Land	✓	
Technology		✓
Other (please explain)		✓
6. IMPLICATIONS: To formulate the Council's Financial Strategy and to inform any consequent decisions on capital investment and revenue savings plans to be taken by Full Council and Committees, while recognising the Council's duty to set a balanced budget, complying with relevant legislation.		

7. REASON FOR THE DECISION:
To formulate the Council's Medium-Term Financial Strategy and set the financial context and framework for decisions to be taken by the Council.

8. BACKGROUND PAPERS:
None.

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ARUN DISTRICT COUNCIL **DECISION TAKEN UNDER SCHEME OF DELEGATION**

Decision taken in accordance with Part 4, Officer Scheme of Delegation, Section 2, Paragraph 2.23 (Urgent Decisions)

SUBJECT

- 1. SUPPLEMENTARY ESTIMATE TO COVER COSTS AWARDED AGAINST THE COUNCIL IN APPEAL P/58/19/PL**
- 2. SUPPLEMENTARY ESTIMATE TO COVER COSTS FOR DEFENDING APPEAL ON LAND SOUTH OF BARNHAM STATION, BARNHAM - BN/142/20/OUT**

DECISION TAKER: - Nigel Lynn - Chief Executive

EXECUTIVE SUMMARY:

The Full Council meeting 14 July 2021 rose at 10.31 pm without concluding the business on the agenda. The next meeting is on 15 September 2021. Some of the unfinished business identified below cannot wait until 15 September 2021 and is now urgent. Taking into account the Council's public interests, the Chief Executive considers that these decisions cannot reasonably be deferred until the next scheduled meeting of the Full Council.

OPTION:

- (1)** to agree the decisions; or
- (2)** not to agree the decisions

DECISIONS:

SUPPLEMENTARY ESTIMATE TO COVER COSTS AWARDED AGAINST THE COUNCIL IN APPEAL P/58/19/PL

Planning permission for application P/58/19/PL had been refused by the then Development Control Committee contrary to the advice of Officers from this Council, West Sussex County Council and the Council's appointed Highways consultant. On Appeal the Inspector had concluded that the Council had acted unreasonably in refusing planning permission and had awarded costs against the Council. The report to Council sought a supplementary estimate of up to a maximum of £26,000 to settle that award of cost. The Council is legally obliged to meet these costs and the decision allows Council negotiators headroom for negotiation in order to avoid a debt action by the developers.

I AGREE that a maximum of £26,000 be made available in order to facilitate settlement of this claim.

SUPPLEMENTARY ESTIMATE TO COVER COSTS FOR DEFENDING APPEAL ON LAND SOUTH OF BARNHAM STATION, BARNHAM - BN/142/20/OUT.

The Council had refused an application for substantial development south of Barnham railway station based on ten sound reasons for this refusal. As a result, the applicant had appealed against the decision. The appeal is to be heard by way of a Public Inquiry estimated to last eight days later in 2021. The Council now needs to fund its legal representation to include fees for Counsel and costs associated with the appointment of planning consultants and any expert witnesses to assist with defending the appeal. A supplementary estimate of £50,000 is requested in this respect.

The preparation for appeal runs to a fixed timetable. Where the parties incur costs because the Council has failed to comply with the timetable this may be considered unreasonable conduct and the Council may be required to pay the additional costs incurred by Council delay in meeting the hearings timetable. The Council is in danger of non-compliance with the timetable if we cannot appoint the Legal and Planning experts before 15 September 2021 Full Council meeting

I AGREE that a maximum of £50,000 be made available in order to facilitate preparation of the Council's defence of the appeal.

REASON FOR THE DECISIONS: The cost of the Planning Appeal which was lost will eventually become a debt which ADC will have to pay if the developers seek to enforce the judgement in court.

The other appeal cost is defending an ongoing appeal, which is more pressing. The issue is whether ADC should be instructing professional support (planning and legal and other experts) if there is doubt that the invoices will be paid. If they are not instructed there is a danger that the Council will fail to comply with the timetable and may incur a costs penalty and or lose the appeal.

In either case, there is a reputational risk that those professionals may not want to work with the Council again – hence the need for use of urgency powers

SIGNATURE:



DATE: 22 July 2021

CONSULTATION WITH GROUP LEADERS: – 22 July 2021

BACKGROUND PAPERS – The two reports to be attached as e-links

Agenda Item 12

Corporate Policy and Performance Committee - Work Programme Updated 23 September 2021

Corporate Policy & Performance Committee	Lead Officer	Date of Meeting	Time	Full Council Meeting Date
<p>Committee TORs</p> <p>Local Council Tax Support Scheme</p> <p>Contain Outbreak Management Fund (COF)</p> <p>Caravan Sites and Control of Development Act 1960</p> <p>The Council's Response to the Covid-19 Pandemic</p> <p>Corporate Plan 2018-2022 – Quarter 4 Reporting</p> <p>Supplementary Estimate to Cover Costs Awarded Against the Council in Appeal P/58/19/PL</p> <p>Supplementary Estimate to Cover Costs for Defending an Appeal on Land South of Barnham Station, Barnham</p> <p>Minutes from Planning Policy Committee – 1 June 2021 – Consideration of Recommendation – Deliver of West Bank Strategic Allocation</p> <p>Work Programme</p>	<p>Solomon Nigel</p> <p>Carolyn Martlew</p> <p>Carolyn Martlew</p> <p>Nat Slade</p> <p>Nigel Lynn</p> <p>Jackie Follis</p> <p>Neil Crowther</p> <p>Neil Crowther</p> <p>Karl Roberts</p> <p>All</p>	<p>17 June 2021</p>	<p>6pm</p>	<p>14-Jul-21</p>
<p>Draft Outturn Report 2020/21</p> <p>Budget Process – 2022/23</p>	<p>Carolyn Martlew</p>	<p>1 September 2021</p>	<p>6pm</p>	<p>15-Sep-21</p>

Corporate Policy and Performance Committee - Work Programme
Updated 23 September 2021

<p>Feedback Report from Outside Body – Greater Brighton Economic Board – 20 July 2021</p> <p>Feedback report – Update on County Local Committees including Joint Arun Area Committees</p> <p>Feedback report – Joint Climate Change Board – confirmation of Outside Body Representative and Feedback Report following meeting on 7 July 2021</p>	<p>Carolyn Martlew</p> <p>Denise Vine</p> <p>Jackie Follis</p> <p>Verbal and Feedback report from Cllr Staniforth - TBC</p>		
<p>Financial Prospects 2021/22 to 2025/26</p> <p>Carbon Reduction Strategy</p> <p>Developing a District Vision for the Council</p> <p>Bognor Regis Beach Access Options Appraisal – Recommendations from Environment & Neighbourhood Committee – 23 September 2021</p> <p>Changing Place Toilets – Expression of Interest – Recommendations from Environment & Neighbourhood Services Committee – 23 September 2021</p> <p>Urgent Decisions Taken by the Chief Executive Under the Scheme of Delegation</p>	<p>Carolyn Martlew</p> <p>William Page</p> <p>Jackie Follis</p> <p>Roger Spencer</p> <p>Nat Slade</p> <p>Nigel Lynn</p>	<p>14 October 2021</p> <p>6pm</p>	<p>10-Nov-21</p>

Corporate Policy and Performance Committee - Work Programme
Updated 23 September 2021

Motion from Full Council – 15 September 2021 - Work Programme				
Budget Monitoring Report Corporate Plan 2018-2022 – Quarter 2 Residents Survey Report Recommendations from Residential & Wellbeing Services Committee – Council Tax Reduction Scheme	Carolyn Martlew Jackie Follis Jackie Follis Andrew Dale	9 December 2021	6pm	12-Jan-22
Council Budget 2022/23 District Vision 2022-2026	Carolyn Martlew Jackie Follis	10 February	6 pm	23 February 22 9 March 2022
Budget Monitoring Report	Carolyn Martlew	31 March 2022	6pm	11-May-22

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