



# Public Document Pack

Arun District Council  
Civic Centre  
Maltravers Road  
Littlehampton  
West Sussex  
BN17 5LF

This meeting will be live streamed – the link to watch the meeting will be published soon

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3 May 2022

## COUNCIL MEETING

To all Members of the Council

You are summoned to attend a meeting of the ARUN DISTRICT COUNCIL to be held on **Wednesday 11 May 2022 at 6.00 pm** in the **Council Chamber at The Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** to transact the business set out below:

James Hassett  
Chief Executive

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

1. Where a member of the public wishes to attend the meeting or has registered a request to take part in Public Question Time, they will be invited to submit the question in advance of the meeting to be read out by an Officer, but of course can attend the meeting in person.
2. It is still *recommended* that all those attending take a lateral flow test prior to the meeting.
3. We request members of the public do not attend any face to face meeting if they have Covid-19 symptoms.

Any members of the public wishing to address the Committee meeting during Public Question Time, will need to email [Committees@arun.gov.uk](mailto:Committees@arun.gov.uk) by 5.15 pm on **Wednesday, 5 May 2022** in line with current Committee Meeting Procedure Rules.

It will be at the Chief Executive's/Chair's discretion if any questions received after this deadline are considered.

For further information on the items to be discussed, please contact [Committees@arun.gov.uk](mailto:Committees@arun.gov.uk)

## **AGENDA**

### 1. APOLOGIES FOR ABSENCE

### 2. DECLARATIONS OF INTEREST

Members and Officers are invited to make any declarations 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 item 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 and/or prejudicial interest
- c) the nature of the interest
- d) if it is a pecuniary or prejudicial interest, whether they will be exercising their right to speak under Question Time

### 3. PUBLIC QUESTION TIME

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

### 4. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

To receive questions from Members with pecuniary/prejudicial interests (for a period of up to 15 minutes)

### 5. PETITIONS

To consider any petitions received from the public.

### 6. MINUTES (Pages 1 - 40)

To approve as a correct record the Minutes from the following meetings held (as attached):

- Special Meeting of the Council – 23 February 2022
- Special Meeting of the Council – 3 March 2022
- Full Council – 9 March 2022
- Extraordinary Meeting of the Council – 14 April 2022

7. CHAIRMAN'S ANNOUNCEMENTS

To receive such announcements as the Chairman may desire to lay before the Council.

8. URGENT MATTERS

To deal with business not otherwise specified in the Council summons which, in the opinion of the Chairman of the Council (in consultation with the Chief Executive), is business of such urgency as to require immediate attention by the Council.

**OFFICER REPORTS**

9. REPORT OF CONSTITUTION WORKING PARTY - COMPLETING THE TRANSITION TO A COMMITTEE SYSTEM (Pages 41 - 156)

This report contains recent recommendations from the Constitution Working Party (CWP) on continuing amendments to the Constitution designed to smooth the transition from Cabinet to a Committee system of Governance.

This report also brings to full Council amendments recommended by the Planning Committee and accepted by CWP relating to Site Visits (Appendix 5) .

This report draws Council's attention to consequential changes to be made by the Monitoring Officer under delegated powers as a result of organisational and legislative changes (e.g., Part 4, Section 1, Para 7.2 references to *Public Health England* should be changed to *UK Health Security Agency*), and change of titles, eg Group "Head of Law and Governance & Monitoring Officer" instead of "Head of Council Advice & Monitoring Officer" and legacy changes which were previously missed but are consequences of decisions made by Full Council to move to a Committee system.

**RECOMMENDATIONS FROM SERVICE COMMITTEES, REGULATORY AND STANDARDS COMMITTEES AND FROM WORKING PARTIES**

10. ECONOMY COMMITTEE - 29 MARCH 2022 (Pages 157 - 230)

The Chair, Councillor Cooper, will present the minutes containing recommendations from the meeting of the Economy Committee held on 29 March 2022.

There are recommendations to consider at:

- Minute 781 [Littlehampton Public Realm Improvements – Phase 1 (Terminus Road) Contractor Appointment] – the Officer's report is attached.
- Minute 786 [River Road Garage Site, Arundel Wet Sussex] – the Officer's report is attached.

11. POLICY & FINANCE COMMITTEE - 31 MARCH 2022 (Pages 231 - 254)

The Chair, Councillor Gunner, will present the Minutes containing recommendation from the meeting of the Policy & Finance Committee held on 31 March 2022.

There are three recommendations for the Council to consider at Minute 805 [Council Vision – Performance Management 2022-2026] – the Officer’s report is attached.

12. MOTIONS [30 MINUTES]

The following Motion has been submitted in accordance with Council Procedure 15 [Notices of Motion].

Proposer: Councillor Staniforth

Seconder: Councillor Edwards

**Mental Health Support Services for Young People**

My motion is to propose the Council request a presentation from West Sussex County Council to outline what services it currently provides for children and young people in the district and its plans for future provision. We may then identify key priorities as a district council to support the wellbeing of children and young people.

13. GENERAL QUESTIONS FROM MEMBERS [BY ADVANCE NOTICE] [30 MINUTES]

To consider general questions from Members in accordance with Council Procedure Rule 14.3.

14. COMMITTEE MEMBERSHIPS

Any changes to Committee Memberships that need noting by the Council will be reported at the meeting.

15. REPRESENTATION ON OUTSIDE BODIES

The Council is asked to approve any changes to its representation on Outside Bodies.

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

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

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# Public Document Pack Agenda Item 6

Subject to approval at the next Full Council meeting

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**MINUTES  
OF A  
SPECIAL MEETING OF THE ARUN DISTRICT COUNCIL  
HELD IN THE ARUN CIVIC CENTRE  
ON 23 February 2022 at 6.00 pm**

Present: Councillors Brooks (Chair), Mrs Staniforth (Vice-Chair), Batley, Bicknell, Blanchard-Cooper, Bower, Caffyn, Chapman, Chace, Charles, Clayden, Mrs Cooper, Cooper, Coster, Daniells, Dendle, Edwards, Elkins, Goodheart, Gunner, Hamilton, Mrs Haywood, Hughes, Huntley, Kelly, Lury, Needs, Northeast, Oliver-Redgate, Oppler, Pendleton, Purchase, Rhodes, Roberts, Stanley, Tilbrook, Thurston, Dr Walsh, Warr, Worne and Yeates.

672. WELCOME

The Chair welcomed Councillors, representatives of the public, press and Officers to this Special Meeting of the Council.

673. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Bennett, Buckland, Catterson, Dixon, Mrs English, English, Gregory, Jones, Seex and Smith and from Honorary Aldermen Mrs Stinchcombe and Mr Dingemans.

674. DECLARATIONS OF INTEREST

Councillor Northeast declared a Personal Interest in Agenda Item 9 [Arun District Council Budget 2022/23] as his wife was a member of staff. Councillor Northeast confirmed that he would not take part in the vote on this item.

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

<b>Name</b>	<b>Town or Parish Council or West Sussex County Council [WSCC]</b>
Councillor Tracy Baker	Littlehampton
Councillor Kenton Batley	Bognor Regis
Councillor Jamie Bennett	Rustington
Councillor Paul Bicknell	Angmering
Councillor Billy Blanchard-Cooper	Littlehampton
Councillor Jim Brooks	Bognor Regis
Councillor Ian Buckland	Littlehampton and WSCC
Councillor David Chace	Littlehampton

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Councillor Mike Clayden	Rustington
Councillor Andy Cooper	Rustington
Councillor Alison Cooper	Rustington and WSCC
Councillor Sandra Daniells	Bognor Regis
Councillor Roger Elkins	Ferring and WSCC
Councillor Paul English	Felpham
Councillor Steve Goodheart	Bognor Regis
Councillor Pauline Gregory	Rustington
Councillor June Hamilton	Pagham
Councillor Shirley Haywood	Middleton-on-Sea
Councillor David Huntley	Pagham
Councillor Henry Jones	Bognor Regis
Councillor Martin Lury	Bersted
Councillor Claire Needs	Bognor Regis
Councillor Mike Northeast	Littlehampton
Councillor Francis Oppler	WSCC
Councillor Jacky Pendleton	Middleton-on-Sea and WSCC
Councillor Vicky Rhodes	Littlehampton
Councillor Emily Seex	Littlehampton
Councillor Martin Smith	Aldwick
Councillor Samantha Staniforth	Bognor Regis
Councillor Matt Stanley	Bognor Regis
Councillor Isabel Thurston	Barnham & Eastergate
Councillor Will Tilbrook	Littlehampton
Councillor James Walsh	Littlehampton and WSCC
Councillor Jeanette Warr	Bognor Regis
Councillor Amanda Worne	Yapton
Councillor Gillian Yeates	Bersted

675. PUBLIC QUESTION TIME

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

676. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

There were no Questions from Members with prejudicial/pecuniary interests.

677. PETITIONS

The Chair confirmed that no petitions had been received.



678. MINUTES

The Minutes of the Council Meeting held on 26 January 2022 were approved by the Council as a correct record and would be signed by the Chairman at the end of the meeting, subject to the Apologies for Absence announced at the meeting being recorded, these being Councillors Baker, Batley, Bennett, Catterson, Chace, Charles, Haywood, Huntley, Jones, Needs, Purchase, Rhodes and Seex.

679. CHAIR'S ANNOUNCEMENTS

The Chair confirmed that he had no communications to announce.

680. URGENT MATTERS

There were no items for this meeting.

681. ARUN DISTRICT COUNCIL BUDGET 2022/23

The Chair confirmed that this Special Meeting of the Council had been called to consider the Budget for 2022/23 and to set the Council Tax for the Arun District Council. Members needed to be advised that West Sussex County Council (WSSCC) had had to postpone its precept setting meeting due to be held on 18 February 2022 due to a red weather warning having been issued for the area due to storm Eunice. As a result, this council had not been notified of WSSCC's precept. The Chair confirmed that without the precept this council could not set the aggregate Council Tax but could continue to proceed in discussing the Arun Council Tax Calculation and Budget for 2022/23.

The Council had 11 recommendations to consider but in the absence of the precept from WSSCC, recommendation 9 would have to be withdrawn from tonight's meeting. Recommendation 9 with the supporting documents would be circulated after 28 February 2022, when WSSCC was scheduled to meet, to decide its precept. The Chair confirmed that he would adjourn the meeting at the appropriate point to 3 March 2022 when it would be possible for the council to formally pass the statutory resolutions.

An extract from the Minutes from the meeting of the Policy & Finance Committee [Minute 651] held on 10 February 2022 had been emailed to Members; uploaded to the Council's web pages; and circulated to the meeting. These minutes set out the recommendations for Council to consider as outlined in the Officer report.

The Leader of the Council, Councillor Gunner, opened his Budget Statement confirming that this was the first budget of the council's new administration. Councillor Gunner confirmed that he wished to start by thanking Council staff for all they had done in going above and beyond in continuing to deliver services for the district's residents during the pandemic. Now that restrictions were coming to an end, this was the time to be looking to the future.

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The Council's Budget for 2022/23 was a positive and forward-looking budget representing delivery showing support for the district's high streets; businesses; the environment and most importantly support for the district's people. Residents and businesses could be safe in the knowledge that never had this council been doing so much as it was right now in working on so many positive projects in the district.

Councillor Gunner stated that when he had become Leader, he had stated that local businesses and the economy were the driving force of the Council. He was therefore proposing to increase the size of the Economy Team by 20% to ensure the continued delivery of projects like the Jobs Fair held last week. This real and practical work included £2,000 shopfront grants; the new £150,000 high street fund; and the one to one retail support to assist high street businesses. The aim was for Arun to be an even greater tourism destination, and the £250,000 in the budget for a range of events was a testament to the council's determination to get people visiting and spending money in towns and villages. Money would also be spent on digital marketing to put the district on the map, as well as investing in works to the roof at the Windmill Theatre, in Littlehampton; works to revitalise The Arcade in Bognor Regis; £3.5m for Littlehampton High Street and the £19.4m received from the Government as part of the Levelling-Up agenda which would see work to the seafront and greens at Littlehampton and a transformation of the Alexandra Theatre in Bognor Regis.

As a result of a favourable financial settlement to the council from the Government, it had been possible to propose the lowest change in Council Tax for 7 years and at half the rate of inflation. Councillor Gunner praised the Government's decision to grant a £150 rebate to bands A-D which would assist households in the district. WSCC would be providing an additional £150 as part of the Local Hardship Fund to assist further. Joint work with WSCC included the Arun Growth Deal to provide further improvements in Bognor Regis and Littlehampton as well as work on dualling the A259, the realignment of the A29, the Lyminster Bypass, and the A27 Arundel Bypass highlighting the level of investment in roads and infrastructure in Arun.

In addition to this, the council was working to protect the environment with £79,000 for sea defences in Middleton and £180,000 in the Community Flood Fund for areas such as Pagham and Climping. Further inland, the £225,000 designated for play areas had provided a new playground in Lashmar Road, East Preston and a new play area in Aldwick. This was in addition to the 33,000 trees that the council was already starting to plant to include 100 in every single parish as a contribution to the Queen's Green Canopy. There was £320,000 in the capital budget for the Bersted Brooks Country Park which would enhance Arun's open spaces to assist in improving people's health and wellbeing.

In conclusion and in formally proposing the budget recommendations, Councillor Gunner confirmed that this was a budget for the future; for the people and the businesses of Arun

The recommendations were then seconded by Councillor Pendleton.

In line with the procedure for debates at Special Meetings, the Chair confirmed that he would now invite questions from Members to Officers.

A range of questions were asked including:

- The £1m set aside for the Arun Leisure refurbishment works. £700k of this would be funded from Section 106 monies and so was this funding guaranteed?
- Why the new Officer post to assist the Sustainability Manager was being funded from the climate change budget?
- The Beach Access Working Party – when would the first meeting be held and what funding had been allocated to this project?
- The need to have significant funding for sheltered accommodation to make it accessible for everyone
- The need to ensure that all playgrounds, especially new ones, were accessible for all
- Concerns over the lack of detailed plans for the Bersted Brooks Country Park
- The number of changing places facilities that would be provided

The Chair then invited Councillor Walsh to respond to the Budget as the Leader of the Opposition and Liberal Democrat Group. He firstly thanked Officers for their hard work in putting together the budget. Councillor Walsh confirmed that the success of this budget had been a result of the previous two budgets and that a range of the projects now being delivered had commenced under the previous administration.

Councillor Walsh referred to the windfall of £822k received from New Homes Bonus and the favourable extra £1.2 m for the GF caused by slippage and a prudent budget set last year. He confirmed that he supported the Section 151 Officer's recommendation to have balances of £5m to be kept in the GF and that he supported any surplus being transferred to the funding resilience reserve.

What was of concern was the impact for residents because of the cost of living rises such as national insurance, income tax and energy prices which represented cuts in real wages as inflation was way above pay rises. Councillor Walsh believed that the council should be doing all it could to ease the burden on hard pressed pensioners and lower income earners. Councillor Walsh confirmed that he therefore wished to propose an amendment to the budget proposals which he explained. The amendment was that "This Council does not increase council tax for this coming year" and effectively this would be funded by a transfer from the windfall surpluses being transferred to the funding resilience reserve. The GF reserve would remain at £5m and the funding resilience reserve would still, as of 31 March, be at £8.97 m and the balances in a year's time would be around £8.15 m way above the £6.6 m that it was this time last year. This was responsible, prudent and sensible and went some way to protect the most financially vulnerable in local communities.

This amendment was then seconded by Councillor Coster.

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The Chair confirmed that he would consider the detail of this amendment once all remaining Group Leaders had made their statements.

The Chair then invited Councillor Coster to respond to the Budget on behalf of the Independent Group. He also praised Officers for their work in preparing the Budget in very difficult circumstances. Councillor Coster's concern was that the proposed Budget was not protecting the council's financial position. He could not agree with what had been spent in the past on major projects that could cost more in the future. He questioned where this funding would be coming from and expressed concern that the council's reserves could not be continually drained. With reduced Government funding each year, there were significant risks to consider, highlighting the need for the Council to become more self-sufficient. Disposing of valuable assets such as the London Road Coach/Lorry Park and raising fees and charges was not the solution. The public were facing an unprecedented higher cost of living and it was felt that this Budget was ignoring the plight of hard pressed families. The solution was to introduce commercial activities that would provide revenue to support residents instead of introducing cost increases. On this basis, Councillor Coster confirmed that the Budget could not be supported.

The Chair invited Councillor Goodheart to respond to the Budget on behalf of the Arun Independent Group. He outlined that he saw this Budget as being a way of providing an exciting and very vibrant future for the district, he therefore fully supported the budget.

The Chair then invited Councillor Thurston to respond on behalf of the Green Group. She extended her Group's thanks to the Officer team for their hard work in producing a budget through the new Committee system and for producing a balanced budget. She noted the good news at the unexpected New Homes Bonus payment but highlighted that this was just a one-off for this year. The Council was in a better position than it was in last year and this should have been good reason not to increase Council Tax for this year when many residents were facing a tough year ahead. The Council needed to think about people's real needs. Climate change and the environment were her Group's priorities and so the Council needed to be doing all it could in tackling these issues. This included enhancing alternative transport methods; providing warm insulated homes; and places to exercise in the fresh air, to benefit the health and wellbeing of the district. She welcomed additional staffing to assist the Council's Sustainability Manager and associated work but could not agree to this being funded from the Climate Change budget. This money needed to be spent on additional green projects. She had supported the Bersted Brooks project but was concerned over the lack of detailed information provided to Members considering the cost of the project. Money could have been spent exploring other green projects. More work needed to be undertaken in tackling the climate emergency.

The Chair then referred to the amendment proposed by Councillor Walsh earlier in the meeting, seconded by Councillor Coster.

This read as set out below [with additions shown in **bold** and deletions shown using ~~strikethrough~~]

Recommendation (2) - Arun's Band D Council Tax for 2022/23 is set at ~~£196.47~~ **£191.52** an ~~no~~ increase of ~~2.58%~~ over 2021/22;

Recommendation (3) - Arun's Council Tax Requirement for 2022/23, based on a Band D Council Tax of ~~£196.47~~ **£191.52** is set at ~~£12,379,711~~ **£11,955,000** plus parish precepts as demanded to be transferred to the General Fund in accordance with statutory requirements.

The Chair invited the Interim Group Head of Law & Governance and Monitoring Officer to provide advice on the validity of the amendment. He drew Members' attention to the Council Procedure Rules in the Constitution at Section 1, 17.7 [Amendments to Motions] referring to what constituted a valid amendment. The Constitution provided that an amendment should not have the effect of negating the motion before the council. The motion before the council was to increase Council Tax. The amendment proposed to not increase Council Tax, negating the motion and so the amendment proposed was not in accordance with Council Procedure Rule 17.7.

The Chair accepted the advice and announced that this was not therefore an amendment that could be accepted.

Councillor Walsh was invited to amend his amendment. In response he confirmed that he wished to amend Recommendation (2) further that the Council Tax for 2022/23 be set at £191.53, an increase by 1p which would not negate the original recommendation.

The opinion of the Interim Group Head of Law & Governance and Monitoring Officer was that the original proposal was to increase the Council Tax to £196.47, the revised amendment was still negating this.

The Chair then invited debate on the recommendations. Comments were made relating to much needed council housing and that this provision seemed to have fallen off the budget agenda at a time when need for council homes and affordable housing, that was affordable, was at its greatest, this needed to form an integral part of the levelling-up agenda. Concerns were expressed over the £100k earmarked to produce vision documents for the district's principal towns. A plea was made to not waste money on consultants but to work on relevant information that the Council already had.

Councillors speaking against the budget expressed frustration that valid amendments had not been permitted and the Leader's Budget Statement had not been circulated in advance of the meeting, which had always been the case in previous years. Comments were made that it was pleasing that projects started by the previous administration were being taken forward for the benefit of the district. Although support was expressed towards the Bertsed Brooks park project, there was concern over lack of consultation with the friends of the park; the Parish Council and Ward Members. It was hoped that detailed plans would be forthcoming soon. Turning to the unexpected

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windfalls that the Council had received, it was strongly felt that these should be passed onto the public by way of a freeze on Council Tax at a time when inflation was at a high and residents were facing a cost of living crisis. Concerns were expressed over equality and diversity and the need to ensure that play parks and sheltered housing schemes were accessible for everyone. This was why it was essential for the work on an accessible beach to commence urgently and to be seen as a major priority over and above other schemes such as the refurbishment of the Fitzleet Car Park.

Some Councillors spoke in support of the budget confirming that it was a budget for the future; was well considered and would deliver for the people and businesses of Arun. Responding to the comments made about equality and diversity, reference was made to changing places toilets; the work already underway and the bid that had been submitted to the Government for more facilities around the district. On beach access, it had not been possible to allocate a budget at this time until the Working Party had commenced and concluded its work. In response to the concerns expressed over the proposed Council Tax increase, Members were reminded that neighbouring Town and Parish Councils had increased their Council Tax at a higher rate than what was being proposed by Arun.

Some Councillors took the view that the budget was well thought out; financially sound and was deliverable to ensure that the projects mentioned would happen. That it delivered the statutory services of the Council whilst at the same time would provide significant investment in the district. That there was a wonderful opportunity with the Levelling-Up Fund projects which would attract more people to the seafront and parks. Funding had been allocated to address flooding which was of vital importance to those communities living close to the coast. Investment in the changing rooms at the Arun Leisure Centre would result in more visitors and residents wanting to visit the area. Public realm was now being delivered in Littlehampton showing that more and more projects were coming forward but being delivered.

The Chair then invited Councillor Pendleton, as seconder to speak. She commended the Budget stating that it laid the foundation for residents and businesses. She stated that she had requested a full review of sheltered accommodation and with her Service Committee had budgeted accordingly as these residents were the most vulnerable in the community. Councillor Pendleton confirmed that this Budget delivered funding for the district's daily needs; it developed community facilities which had been overdue for a number of years. The budget worked for residents, and it would deliver for them. It demanded action and Councillor Pendleton asked Councillors to support it as presented.

Councillor Gunner, as the proposer, responded to some of the points made in the debate specifically over the increase in Council Tax and the budget for Disabled Facilities Grants. He stated that more Council Housing would be provided and that further information on this would be coming to the appropriate Committee in due course. He confirmed that this budget delivered and in thanking Officers for their work in producing it, urged Councillors to support it.

In line with Council Procedure Rule 20.6 – the voting on the recommendations recorded, it being noted that Recommendation (9) would be deferred to 3 March 2022.

Those voting for it were Councillors Bicknell, Bower, Caffyn, Chace, Chapman, Charles, Clayden, Mrs Cooper, Cooper, Daniells, Dendle, Edwards, Elkins, Goodheart, Gunner, Hughes, Kelly, Oliver-Redgate, Pendleton, Rhodes, Roberts and Staniforth (22). Those against were Councillors Batley, Blanchard-Cooper, Coster, Hamilton, Haywood, Huntley, Lury, Needs, Oppler, Purchase, Stanley, Tilbrook, Thurston, Walsh, Warr, Worne and Yeates (17). Councillors Brooks and Northeast abstained from voting.

#### The Council

#### RESOLVED – That

- (1) The General Fund Revenue Budget as set out in Appendix 1 is approved;
- (2) Arun's Band D Council Tax for 2022/23 is set at £196.47, an increase of 2.58% over 2021/22;
- (3) Arun's Council Tax Requirement for 2022/23, based on a Band D Council Tax of £196.47 is set at £12,379,771 plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements;
- (4) The Council's General Fund Revenue Account Balance be set at £5m. Any balance above this to be transferred to the Funding resilience reserve to allow future budgets to be balanced;
- (5) The Housing Revenue Account (HRA) Budget as set out in appendix 2 is approved;
- (6) HRA rents for 2022/23 are increased by 4.1% (CPI plus 1.0%) in accordance with the provisions of the rent standard;
- (7) HRA garage rents are increased by 5% to give a standard charge of £13.58 per week (excluding VAT) and heating and water/sewerage charges increased on a scheme by scheme basis, with a view a view to balancing costs with income;
- (8) The Capital Budget as set out in Appendix 3 is approved;
- (9) **[deferred to 3 March 2022]**
- (10) It be noted that the Interim Group Head of Corporate Support, in consultation with the Leader of the Council has approved:
  - i) a Council Tax base of 63,011 for 2022/23; and

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ii) the submission of the Council's NNDR1 return (the estimate of the Council's Business Rate income for 2022/23) to the Department for Levelling-Up, Housing and Communities (DLUHC); and

(11) It be resolved that for 2022/23 any expenses incurred by the Authority in performing in part of its area a function performed elsewhere in its area by Parish/Town Council of the Chairman of a Parish Meeting shall not be treated as Special Expenses for the purposes of Section 35 of the Local Government Finance Act 1992.

*(During the course of the debate, the following Declarations of Personal Interests were made by :*

*Councillor Walsh as a Member of Littlehampton Town Council*

*Councillor Elkins as a Member of West Sussex County Council and as this Council's outside body representative on the Local Government Association's Coastal Special Interest Group).*

682. MOTIONS

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

683. COMMITTEE MEMBERSHIPS

The Leader of the Council, Councillor Gunner, confirmed the membership for the Staff Appeals Panel, which was:

Councillors Blanchard-Cooper, Chace, Chapman, Daniells, Gregory, Pendleton and Staniforth. It was confirmed that there was an Independent seat left vacant to fill.

The Council then noted the membership for the Staff Appeals Panel.

The Chair then adjourned the meeting to allow the recorded vote on Agenda Item 9, Recommendation 9 to be conducted on 3 March 2022.

684. ADJOURNED RECOMMENDATION 9 FROM THE SPECIAL MEETING OF THE COUNCIL HELD ON 23 FEBRUARY 2022 [STATUTORY RESOLUTIONS]

The Chair confirmed that at the Special Meeting of the Council held on 23 February 2022, the Council approved its Budget for 2022/23 and set its Council Tax for Arun District Council. As West Sussex County Council (WSSCC) had to postpone its precept meeting scheduled for 18 February 2022, due to storm Eunice, this meant that at the Special Meeting of the Council on 23 February 2022, the council could not publish the County Council's precept. Without the precept, Arun could not set its



aggregate Council Tax, but it had been able to determine its Arun Council tax and budget for 2022/23.

The meeting on 23 February 2022 had been adjourned to 3 March 2022 to allow this council to formally pass the statutory resolutions. WSCC had met on 28 February 2022 and its statutory resolutions had been emailed to Members and would be uploaded to the Full Council web pages.

The Chair invited the Leader of the Council, Councillor Gunner, to formally propose Recommendation (9) deferred from the Special Council meeting on 23 February which read as follows:

“The Statutory Resolutions required by the Council in agreeing its Budget for 2022/23, as set out in Appendix 4, are approved”.

Councillor Gunner then formally proposed this recommendation which was then seconded by Councillor Pendleton.

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

Those voting for it were Councillors Bicknell, Bower, Caffyn, Chace, Clayden, Mrs Cooper, Cooper, Dendle, Edwards, Elkins, Mrs English, English, Gunner, Hughes, Madeley, Oliver-Redgate, Pendleton, Rhodes, Roberts, Stainton and Staniforth (21). Those voting against were Councillors Blanchard-Cooper, Gregory, Jones, Lury, Needs, Oppler, Stanley, Walsh, Worne and Yeates (10). Councillors Brooks, Buckland, Catterson, Coster, Dixon, Haywood, Northeast and Thurston abstained from voting (8).

The Council

RESOLVED

That the Statutory Resolutions required by the Council in agreeing its Budget for 2022/23, as set out in Appendix 4, are approved.

(The adjourned part of this meeting concluded at 6.10 pm)

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# Public Document Pack

Subject to approval at the next Full Council meeting

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## **MINUTES OF A SPECIAL MEETING OF THE ARUN DISTRICT COUNCIL HELD IN THE ARUN CIVIC CENTRE ON 3 MARCH 2022 at 6.00 pm**

Present: Councillors Brooks (Chair), Staniforth (Vice-Chair), Bicknell, Blanchard-Cooper, Bower, Buckland, Caffyn, Catterson, Chace, Clayden, Mrs Cooper, Cooper, Coster, Dendle, Dixon, Edwards, Elkins, Mrs English, English, Gregory, Gunner, Hamilton, Haywood, Hughes, Jones, Lury, Madeley, Needs, Northeast, Oliver-Redgate, Oppler, Pendleton, Rhodes, Roberts, Stainton, Stanley, Thurston, Dr Walsh, Worne and Yeates.

The following Members were absent from the meeting during consideration of the matters referred to in the Minutes indicated:-  
Councillors Jones and Needs – Minute 692 (Part). Councillor Needs – voting on the amendment and Councillor Jones – voting on the substantive recommendations.

### 685. WELCOME

The Chairman welcomed Councillors, representatives of the public, press and Officers to this Special Meeting of the Council.

### 686. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Baker, Batley, Bennett, Charles, Chapman, Goodheart, Huntley, Kelly, Purchase, Seex, Tilbrook and Warr and from Honorary Aldermen Mrs Stinchcombe and Mr Dingemans.

### 687. DECLARATIONS OF INTEREST

Councillor Roberts declared a Personal Interest in Agenda Item 7 [National Highways Proposals for the A27 Arundel Improvements – response to Statutory Consultation (Grey route)]. This was because of where he lived, and he confirmed that the Bypass would be of benefit to him and his family. This was a personal benefit that would not influence his decision making. Councillor Roberts confirmed that he would be taking part in the debate and the vote on this item.

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

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

**688. PUBLIC QUESTION TIME**

The Chair confirmed that this Council had been invited to respond to the Statutory Consultation put forward by National Highways. Until Councillors had considered the Officer report and taken part in a debate, it was not possible to anticipate if the recommendations would be adopted, rejected or amended.

Based on this, the Chair confirmed that he would be responding to the two questions put before the Council this evening as the meeting was meant to be deciding its response to the consultation of which the Officer report was merely a suggested response.

The Chair confirmed that two questions had been submitted – these have been very briefly summarised below:

1. From Councillor Vawer from Walberton Parish Council
2. From Mr Waller – Chair of OneArundel A27 ByPass Group

A supplementary question was asked by Councillor Vawer.

*(A schedule of the full questions asked, and the responses provided can be found on the Public Question Web page at: <https://www.arun.gov.uk/public-question-time> )*

The Chairman then drew Public Question Time to a close.

689. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

There were no Questions from Members with prejudicial/pecuniary interests.

690. CHAIR'S ANNOUNCEMENTS

The Chair confirmed that he felt that it was important this evening to mention the current situation in Ukraine. He stated that the thoughts and prayers were with all of those where their lives have been turned upside down and who had gone from living their normal daily lives to now living in fear and fleeing their homes. Many residents in Arun would be from Ukraine or Russia and would have loved ones there that they were concerned about and so the council's thoughts were with these community members.

The Chair confirmed that the council was flying the flag of Ukraine here at the Civic Centre and at the Bognor Regis Town Hall, and that it had lit these buildings in blue and yellow as a sign of support.

691. URGENT MATTERS

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

692. NATIONAL HIGHWAYS' PROPOSALS FOR THE A27 ARUNDEL IMPROVEMENTS - RESPONSE TO STATUTORY CONSULTATION (GREY ROUTE)

The Chair confirmed that this Special Meeting of the Council had been called to allow the Council to consider and respond to National Highways with a corporate response to the Statutory Consultation regarding the preferred route for the Arundel section of the A27 Trunk Road Improvements.

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The Interim Group Head of Law & Governance and Monitoring Officer reminded Members that the purpose of this meeting was to provide a response to National Highways as part of its statutory consultation. It was not for the Council to consider a case for choosing a route, but to make comment upon the National Highways' preferred route. It was important for Members to take this point into account.

The Chair then invited Councillor Gunner to propose the recommendations as set out in the Officer report.

Before proposing these recommendations, Councillor Gunner made a statement about the situation in Ukraine.

Turning to the Arundel Bypass he outlined how vital the improvements were to the Town of Arundel and to the district's overall economy including West Sussex and the South of England. The economic benefits were clear; the bypass was needed; this was millions of pounds of investment for the area; the population of Arun had grown significantly over time and so road infrastructure was essential. The grey route proposed was the infrastructure that was required. It was highlighted that the residents of Littlehampton and Bognor Regis would not appreciate the Council turning down a brand new road in the district. Economic growth in Arun was essential along with more car movement, more visitors and tourists to assist regeneration and in bringing more investment into the district's economy, stimulating growth, jobs and prosperity.

The grey route had been chosen by National Highways (NH) to work around the National Park as the South Downs National Park had opposed the previously favoured Magenta route. The Grey route had been chosen to reduce impact on woodland and the South Downs National Park. Councillor Gunner reminded Members that tonight the purpose of the meeting was not to debate what Councillors saw as their favourite route, it was an opportunity to pass comment on the route selected by NH, the Grey route.

Councillor Gunner stated that he supported the need for an Arundel bypass, to not have a bypass was not a viable option. He supported the need to have a Ford Road junction and maintained that the Council had to continue to work with WSCC and NH to ensure this would happen. Councillor Gunner supported all works to reduce congestion at the Fontwell roundabouts; he shared the concerns of residents of some of the villages and supported all work to reduce rat-running through Walberton; a Ford Road Junction would help but other access points had to be considered. He supported all and any work to mitigate and challenge flooding on the flood plain at Arun and he expressed his deep frustration over NH's inability to produce and provide up to date data and information to local communities.

He urged NH to urgently embrace greater transparency so that the most accurate information be made available. He had difficulty in understanding that the Grey route was the option for consideration in terms of the many problems that would not be faced had the Magenta route been selected. He did not understand why NH had ignored the information contained within the Local Plan and the projected housing growth which was substantially less than what the Council would be facing. Amongst all

of this, there were strong messages being expressed by residents. Arundel wanted the bypass and this message needed to be made clear to NH whilst at the same time firmly expressing the concerns and views of residents in Walberton and other nearby villages.

Councillor Gunner therefore confirmed that he was happy to propose the recommendations but with slight amendments. He looked forward to NH's response to the consultation and the council's comments hoping that these would be taken on board.

The Interim Group Head of Law & Governance and Monitoring Officer confirmed that the amendments to the recommendations in the report were largely technical additions which would allow Officers to respond to the planning inspectorate and to take part in the examination as required and to submit additional documents in relation to the adequacy of consultation and the local impact report. These were normal stages in such a process which had not yet been reached. These additional actions would only be required if NH decided to submit the application. If this did not occur, the Council would not be required to submit an adequacy of consultation response or a local impact report. The amendments gave authority and provided the appropriate delegations to allow officers to do that following tonight's meeting.

Councillor Pendleton then seconded the recommendations.

In line with the Council's Constitution [Council Procedure Rule 4.3 – Procedure for debates at Special Meeting] the Chair confirmed that before moving to a debate, where amendments could be made, he would be inviting Councillors to ask technical questions and to make statements first.

The Chair then invited technical questions from Members and statements.

The questions asked are summarised below:

- The Officer report referred to a study undertaken in 2013 suggesting an economic benefit to the district in excess of £700m but in a recent report from NH the economic benefit was £70m. Could this disparity be explained?
- Confirmation was sought that this meeting was to only focus on the preferred route, the Grey route.
- Why had an up to date analysis outlining the economic benefit not been provided?

The statements made are summarised below:

- Councillor Roberts' statement referred to applying 'beyond reasonable doubt' to the consideration of the Grey route based on the evidence provided within the consultation document. His Ward of Arundel & Walberton had divided views on the preferred route option. In deliberating it, he had based his views on consensus; focused on proper mitigation

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and the need to have openness and transparency in all communications. Had the consultation undertaken by NH been adequate and was their trust in NH to undertake the mitigation needed? Why had the Arundel alternative not been investigated further as a viable option? The cost benefit rationale represented low value for money and not high as confirmed by NH. Where would funding be found for the viaduct at a cost of £302m? The Ford Road Junction was an important aspect which appeared to not be accepted by NH and there was no business case available to confirm this need. The traffic figures used by NH were massively out of date in terms of confirmed houses to be built per annum in the district. The missing details for mitigation for Walberton were also missing for Arundel. NH had failed to identify and account for unreliable Stage 2 traffic assessments; failed to consult on options to prevent traffic diverting from the A29 and A27 at Fontwell to avoid congestion; failed to consult on options to prevent rat-running in Walberton; failed to correct misleading and Stage 2 advocacy material; failed to prevent misleading use of Stage 2 advocacy material at Stage 3; failed to update key stakeholders with the most recent BCR; and had failed to provide options appraisals or business cases for traffic modelling at the ford junction. Councillor Roberts outlined that he supported an offline bypass but that the evidence before him was questionable in the absence of a lot of information.

- Councillor Dendle referred to the history surrounding previous preferred routes for the A27 leading up to this point. He outlined that a mix of his constituents supported this by-pass and some opposed it. The arguments for not accepting the preferred route were difficult to accept as there was desperate need for this infrastructure to be delivered. NH had offered the only route left; the Grey route. The threat of not accepting this route was the real possibility that the Government could withdraw its funding. Economically the arguments to refuse were difficult to challenge as the areas of Bognor Regis and Littlehampton had been strangled by insufficient infrastructure for too long. If the district wanted economic vitality for its communities, then there was need to vote for a bypass and to support this route.
- Councillor Thurston's view was that the consultation provided by NH was flawed and she felt that the council should not accept it without more challenge and scrutiny. She outlined her reasons why the council should not endorse the recommendations stating that they did not fully reflect the views of Councillors and as there was inadequate traffic data making it difficult to reach a fully informed decision. The issues to consider were the effects that induced traffic would have on the entire western part of Arun. NH needed to provide a more robust and transparent evidence base across a number of areas already outlined earlier, including the traffic modelling to allow for environmental impacts to be better understood. A more robust response to the lack of a Ford Road junction needed to be given. Instead, a new transport hub at Ford Railway station should be considered to encourage new residents to the area to use other methods



of public transport. The impacts on habitats; wildlife; cultural heritage and the destruction that this route would cause had to be taken more seriously with the council being encouraged to challenge the untold harm to local communities.

- Councillor Walsh also referred to the history covering the A27 and referred to past routes. He outlined that the A27 was the major transport corridor for the South-East and had been scheduled to be a constant dual carriageway north of Newhaven and as far south as north of Bournemouth but there were 2-3 missing links in West Sussex, Arundel being one of those. There was undoubted interest for the district to ensure that the A27 improvements went ahead for residents, businesses, commuting, tourism, regeneration and the wider national economy – the improvements needed to be completed. As moves to phase out fossil fuels and electric vehicle usage increased, to cite a climate emergency could not be used as an excuse to oppose the bypass as electric and hydrogen powered vehicles would still need it. The South Downs National Park's attitude towards this road building scheme from the start had been regrettable. Councillor Walsh referred to the increasing benefits to formulating the need to get the bypass built and to relieve the A259, currently used as a rat run between Worthing and either Walberton and Fontwell to avoid current blockages at Crossbush and Arundel.

The Interim Group Head of Law & Governance provided advice reminding Councillors that the pre-application consultation had been conducted by NH and not by the Council. Councillors had to respond to the consultation based on the information provided by NH. If NH had provided figures on the economic benefits that was the figure that Members needed to be addressing, it was not a Council decision on whether to build the A27 bypass or not it was for the Council to confirm to NH its response to the preferred route option announced by NH.

The Chair then returned to the recommendations in the report. An adjournment was called to allow amendments to be prepared to share to the meeting.

Councillor Gunner then proposed the following amendments – as shown below – additions have been shown in **bold**.

- (1) To authorise the Chief Executive to respond specifically in respect of the Grey Route proposal Statutory Consultation as follows:
  - (a) Welcome the opportunity to comment upon the proposals for the off-line 'Grey Route' bypass proposals.
  - (b) Notwithstanding the Council's preferred option: the Magenta route, not being taken forward, support is given to the Grey route subject to the following (c) & (d)
  - (c) The current discussions regarding inclusion of a south facing Ford Road Junction with the new A27 road continue between all relevant partners.

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- (d) National Highways strive to further mitigate to reduce rat-running and increased traffic in local villages, especially Walberton
- (e) Suggest that a high-level deck is the most appropriate form for the viaduct across the River Arun valley and flood plain providing there is no compromise in respect of a Ford Road Junction**
- (f) In regard to the Yapton Lane options, to take forward the option that has the less risk and greater constructability but suggest that this should be balanced by the views of the immediately affected residents and businesses
- (g) Encourage National Highways to continue dialogue with the Littlehampton Harbour Board in respect of utilising the port of Littlehampton in the construction phase of the project
- (h) Reiterate the Council's comments made in respect of the previous consultation (October 2019), to consider all potential opportunities, which would further reduce the impact on residents and the environment.**

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- (a) authorises the Director of Place, where the Director considers it necessary, to respond to any further stages of pre-submission consultation, in consultation with the Chair of Planning Committee in support of the formal response approved under Recommendation 1.**
- (c) if an application for a Development Consent Order is submitted, authorises the Director of Place where the Director considers necessary, to:**
  - (i) approve the Council's 'adequacy of consultation' response;**
  - (ii) prepare and submit the Council's written representation and Local Impact Report; to negotiate with the applicant on the DCO requirements, any S106 Agreement, and the preparation of a Statement of Common Ground; and to comment on the written representations of third parties – all in support of the formal response approved under Recommendation 1;**
  - (iii) attend the examination hearings and answer the Examining Authority's questions in support of the Council's position; and**
- 3. That representation be made to Government (Department for Transport (DfT) and Department for Levelling Up, Housing and Communities (DLUHC), to urge a resolution to the mis-match in guidance and methodologies for traffic modelling thus cost benefit analysis, for new road schemes and development projections.  
and
- 4 Note that a business case is being developed in partnership with West Sussex County Council and encourage the continuation of partnership working with National Highways in addressing the Council's concerns over the Ford Road Junction

Councillor Pendleton then seconded these amendments.

The Chair then invited debate on this amendment.

Councillor Dixon confirmed that he wished to make an amendment. This is shown below with additions shown in **bold** and deletions shown using ~~strikethrough~~:

(1) To authorise the Chief Executive to respond specifically in respect of the Grey Route proposal Statutory Consultation as follows:

(a) Welcome the opportunity to comment upon the proposals for the off-line 'Grey Route' bypass proposals;

~~(b) Notwithstanding the Council's preferred option: the Magenta route, not being taken forward, support is given to the Grey route subject to the following (c) & (d);~~

**Notes that none of the Council's Members supported the Grey Route and regrets that the National Highways decision to proceed with the Grey Route has, in essence, usurped local democracy;**

~~(e) Notwithstanding the Council's~~ **The current discussions regarding inclusion of a south facing Ford Road Junction with the new A27 road continue between all relevant partners; support for an offline A27 Arundel bypass the Council believes that the very considerable damage that will be caused to the local environment and biodiversity and in particular to the communities of Binsted, Fontwell and Walberton by the Grey Route renders it unacceptable**

~~(d) National Highways strive to further mitigate to reduce rat-running and increased traffic in local villages, especially Walberton;~~ **are required to constructively reconsider in detail all remaining alternatives**

~~(e) Suggest that a high-level deck is the most appropriate form for the viaduct across the River Arun valley and flood plain;~~ **the current discussions regarding inclusion of south facing Ford Road junction with the new A27 road continue between all relevant partners**

~~(f) In regard to the Yapton Lane options, to take forward the option that has the less risk and greater constructability but suggest that this should be balanced by the views of the immediately affected residents and businesses;~~ **If National Highways persists with pursuing the Grey Route there must be an undertaking not to proceed until the problems of rat running and increased traffic in local villages, especially Walberton, have been fully discussed and agreed with representatives of those villages and this Council. Also a scheme acceptable to local villages and this Council to solve the bottlenecks at the East and West Fontwell roundabouts is in hand for prompt completion.**

~~(g) Encourage National Highways to continue dialogue with the Littlehampton Harbour Board in respect of utilising the port of Littlehampton in the~~

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~~construction phase of the project~~ **Suggest that a high level deck is the most appropriate form for the viaduct across the River Arun Valley and flood plain.**

**(h) If National Highways persists with pursuing the Grey Route and in regard to the Yapton Lane options, to take forward the option that has the less risk and greater constructability but suggest that this should be balanced by the views of the immediately affected residents and businesses.**

**(i) Encourage National Highways to continue dialogue with the Littlehampton Harbour Board in respect of utilising the port of Littlehampton in the construction phase of the project.**

2. That representation be made to Government (Department for Transport (DfT) and Department for Levelling Up, Housing and Communities (DLUHC), to urge a resolution to the mis-match in guidance and methodologies for traffic modelling thus cost benefit analysis, for new road schemes and development projections; and

3 Note that a business case is being developed in partnership with West Sussex County Council and encourage the continuation of partnership working with National Highways in addressing the Council's concerns over the Ford Road Junction

Councillor Coster seconded this amendment.

Councillor Dixon then explained his amendment and his concerns over the intolerable pressure this route would inflict onto other village areas. Binsted would be destroyed and the village of Walberton would become an unbearable rat-run. The Council also needed to receive assurances about the impacts for the Fontwell roundabouts before the project should proceed. The main argument for not accepting his amendment seemed to be a fear over what NH or the Government might do next. It was vital for the council to make decisions for the right reasons not over concerns that the funding for the bypass might be withdrawn, as had been the case for Chichester. Councillor Dixon was sure that this would not be repeated in this situation and so the council needed to fight for what was right and needed to ensure that it would make the right decision for the district. There was a complete lack of transparency in terms of the consultation conducted by NH and the message to NH was that it should rethink its proposals.

The Chair then invited debate on this amendment.

Although there were Councillors that agreed with much of what Councillor Dixon had said in proposing his amendment, they questioned the statements made and the evidence that went with it. The key thread in speeches made opposing the amendment was that the district needed a bypass. The whole of the economy of the district relied upon its provision to support employment, regeneration and tourism. The risk of what happened at Chichester could not happen here.

There were Councillors who stated that they could not support the amendment as the purpose of this meeting was not to redesign a preferred route, that proposal had been made by NH.

Others thought that the amendment was negating the original motion because it was confirming that although the Council wanted a bypass, it wanted one on different terms. This was not possible as there were no other route options. It was necessary for the Council to make the right decision for the whole of the district and the fact was that this was about accepting the overwhelming need for the bypass.

Other Councillors pointed out that the matters of concern expressed did need to be addressed and that this would be covered by the Planning Inspector, this was still a very early stage of the process. There was no alternative proposal. Councillors understood the passions in presenting alternative proposals; and the implications for all residents in Arun and businesses in the Southeast were not fully understood, however, the risk of the scheme not being delivered had far greater implications.

Some Councillors confirmed that they were sympathetic to some elements of the amendment such as addressing rat-running in nearby villages. The biggest risk was the fear of NH withdrawing from this scheme. The proposals were better than no options and Councillors needed to be mindful of what had happened at Chichester. Other Councillors were of the view that this decision should not be made based on fear, this would not happen. This decision was not about saying that a bypass was not wanted or needed but about the need to better the whole economy, ensuring that the right mitigation was undertaken and the need for a Ford Road junction accepted. The council had to stand hard and had to ensure that the proposals were right for the district. The environmental damage and biodiversity impact also had to be considered and it was strongly felt that the council had to express support to the residents that would be affected and should have the courage to say what it was not prepared to tolerate. An argument was made for the provision of a Fontwell flyover.

Councillor Coster, as seconder to the amendment, urged Councillors to support it as it represented supporting residents that would be adversely affected. The Council could not accept the damage the bypass would do by destroying residents' homes and communities and to the environment and biodiversity. Irreparable damage would be done to the western villages due to rat-running which could not be accepted to just save 6 minutes of journey time. This did not justify the damage that would be made. The congestion that would occur at the Fontwell roundabouts could not be accepted, there were many disbenefits that the Grey route would bring to the district. There were alternatives and the amendment proposed called for closer consideration of these alternatives.

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Councillor Dixon, as proposer of the amendment, confirmed that the Grey route was the most damaging environmentally. It was longer than the other route options and would destroy more habitat. The priority was protecting local communities not conifer plantations. Ancient woodland was being destroyed to make way for other forms of infrastructure around the country and so why was this plantation so sacrosanct? There was no answer to this question. The council was being asked to give its retrospective approval to the Grey route. Councillor Dixon felt that this should not happen and that the council should standby residents and seek a route that did not damage communities. He felt that NH and SDNP were not acting on behalf of their communities and so the council needed to stand up and support its residents. Councillor Dixon was keen to see an offline bypass but was not prepared to see a bad option.

A recorded vote had been requested on this amendment.

Those voting for it were Councillors Buckland, Coster, Dixon, Hamilton, Haywood, Northeast, Thurston and Worne (8). Those voting against were Councillors Bicknell, Bower, Caffyn, Chace, Clayden, Mrs Cooper, Cooper, Dendle, Edwards, Elkins, Mrs English, English, Gunner, Hughes, Madeley, Oliver-Redgate, Pendleton, Rhodes, Roberts, Staniforth (20). Councillors Blanchard-Cooper, Brooks, Gregory, Jones, Lury, Oppler, Stainton, Stanley, Walsh and Yeates abstained from voting (10).

The amendment was therefore declared LOST.

Councillor Walsh confirmed that he wished to make an amendment. He confirmed his wish and support for the Magenta route to be reconsidered and confirmed his reluctance in supporting the Grey route, but this was the only remaining option. It was his view that for Recommendation (1) Parts, (b), (c) and (d) these needed amending because many Councillors believed strongly and had spoken to support the inclusion of a junction at Ford Road. This needed to be stated more forcibly, the recommendations should leave the option open to impress upon NH for a junction with Ford Road was essential for local residents and by the business community. Looking at (d), he supported the concerns of residents at Walberton along The Street which would be met by huge congestion along a narrow road with no proper pavements. Councillor Walsh also referred to the roundabout capacity at the top of Fontwell Avenue and eastern junction coming down from Slindon, they were crucial to the A27 delivering its benefits. Balancing this, there was threat that NH might walk away and take its funding elsewhere. The council therefore needed to reflect the mood of this meeting in that it was not entirely happy but subject to the rest of the amendment and the other conditions proposed it could support his amendment which would enable the motion to give qualified support.

The wording of this amendment is set out below – with additions shown using **bold** and deletions shown using ~~strikethrough~~:

- (1) To authorise the Chief Executive to respond specifically in respect of the Grey Route proposal Statutory Consultation as follows:
  - (a) Welcome the opportunity to comment upon the proposals for the off-line 'Grey Route' bypass proposals;
  - (b) **The Council re-states is previously expressed overwhelming support for** ~~Notwithstanding the Council's preferred option:~~ the Magenta route. **It reluctantly gives qualified support for the less satisfactory** ~~, not being taken forward, support is given to the~~ Grey route, subject to **much more detailed information from National Highways on environmental considerations for local residents and natural habitat and to** the following (c) & (d);
  - (c) ~~The current discussions regarding inclusion of a south facing Ford Road Junction with the new A27 road continue between all relevant partners;~~ **inclusion of a junction with Ford Road and the new A27**
  - (d) **Further mitigation** ~~National Highways strive to further mitigate~~ to reduce rat-running and increased traffic in local villages, especially Walberton; **and also traffic management, including roundabout capacity, at the Fontwell A29 junctions.**
  - (e) Suggest that a high-level deck is the most appropriate form for the viaduct across the River Arun valley and flood plain;
  - (f) In regard to the Yapton Lane options, to take forward the option that has the less risk and greater constructability but suggest that this should be balanced by the views of the immediately affected residents and businesses;
  - (g) Encourage National Highways to continue dialogue with the Littlehampton Harbour Board in respect of utilising the port of Littlehampton in the construction phase of the project

Councillor Jones seconded this amendment confirming that he did not support any route that did not have a Ford Road Junction. He strongly believed that the Council needed to be steadfast stipulating certain assurances otherwise the strength of support and need for a junction and proper mitigation for Walberton would be lost.

Councillor Gunner as proposer to the substantive recommendations confirmed that he would be prepared to accept this amendment subject to some minor tweaking. The Chair allowed a few minutes for rapid consultation within the Chamber amongst Councillors. The finalised wording to the suggested amendments to Recommendation 1 (b) was then agreed.

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**(b) The Council re-states its previously expressed overwhelming support for** ~~Notwithstanding the Council's preferred option: the Magenta route. It reluctantly gives in principle conditional qualified support in principle for the less satisfactory~~, ~~not being taken forward, support is given to the Grey route~~ subject to **much more detailed information from National Highways on environmental considerations for local residents and natural habitat and to the following (c) & (d);**

This further amendment was seconded by Councillor Pendleton as the seconder to the substantive recommendations. Councillors Walsh and Jones confirmed that they supported these further changes.

The Chair then invited debate on the amendment. This achieved support from most Members as it provided a stronger request to resolve the environmental concerns and seek detailed mitigation.

Following further debate, Councillor Gunner proposed that "the question be now put" and this was seconded by Councillor Edwards. The Chair confirmed that he felt that the matter had been adequately discussed and put this Motion without Notice to the vote. This was declared CARRIED.

The Chair then invited Councillor Pendleton, as seconder to the substantive recommendations, to speak. She confirmed that she very much welcomed the cross party debate and support showing that Councillors were working together for the benefit of the district's residents. She believed that the proposed new road was essential to support the district's economy, even though Grey was not this council's preferred option. It was the only option and so Councillors now had to work hard to resolve all of the issues raised. She therefore urged Councillors to support the substantive recommendations.

The Chair invited Councillor Gunner, as proposer of the substantive recommendations, to speak. He thanked Members for the debate and for their full and detailed reviews and urged Councillors to support the recommendations.

A recorded vote had been requested on the substantive recommendations. Those voting for were Councillors Bicknell, Blanchard-Cooper, Bower, Caffyn, Chace, Clayden, Mrs Cooper, Cooper, Dendle, Edwards, Elkins, Mrs English, English, Gregory, Gunner, Hughes, Lury, Madeley, Northeast, Pendleton, Stainton, Staniforth, Stanley, Walsh and Yeates (25). Those voting against were Councillors Coster, Dixon, Hamilton, Haywood, Thurston and Worne (6). Councillors Brooks, Buckland, Oliver-Redgate and Roberts abstained from voting.



The Council

RESOLVED – That

- (1) The Chief Executive be authorised to respond specifically in respect of the Grey Route proposed Statutory Consultation as follows:
  - (a) Welcomes the opportunity to comment upon the proposals for the off-line 'Grey Route' bypass proposals;
  - (b) The Council re-states its previously expressed overwhelming support for the Magenta route. It gives in principle support for the less satisfactory Grey route subject to much more detailed information from National Highways on environmental considerations for local residents and natural habitat and to the following (c) & (d);
  - (c) Inclusion of a junction with Ford Road and the new A27;
  - (d) Further mitigation to reduce rat-running and increased traffic in local villages, especially Walberton and also traffic management, including roundabout capacity, at the Fontwell A29 junctions;
  - (e) Suggest that a high-level deck is the most appropriate form for the viaduct across the River Arun valley and flood plain providing there is no compromise in respect of a Ford Road Junction;
  - (f) In regard to the Yapton Lane options, to take forward the option that has the less risk and greater constructability but suggest that this should be balanced by the views of the immediately affected residents and businesses;
  - (g) Encourage National Highways to continue dialogue with the Littlehampton Harbour Board in respect of utilising the port of Littlehampton in the construction phase of the project;
  - (h) Reiterate the Council's comments made in respect of the previous consultation (October 2019), to consider all potential opportunities, which would further reduce the impact on residents and the environment.
- (2) That Full Council
  - (a) authorises the Director of Place, where the Director considers it necessary, to respond to any further stages of pre-submission consultation, in consultation with the Chair of Planning Committee in support of the formal response approved under Recommendation 1.
  - (b) if an application for a Development Consent Order is submitted, authorises the Director of Place where the Director considers necessary, to:
    - (i) approve the Council's 'adequacy of consultation' response;

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- (ii) prepare and submit the Council's written representation and Local Impact Report; to negotiate with the applicant on the DCO requirements, any S106 Agreement, and the preparation of a Statement of Common Ground; and to comment on the written representations of third parties – all in support of the formal response approved under Recommendation 1;
  - (iii) attend the examination hearings and answer the Examining Authority's questions in support of the Council's position; and
- 3) That representation be made to Government (Department for Transport (DfT) and Department for Levelling Up, Housing and Communities (DLUHC), to urge a resolution to the mis-match in guidance and methodologies for traffic modelling thus cost benefit analysis, for new road schemes and development projections; and
- 4 Note that a business case is being developed in partnership with West Sussex County Council and encourage the continuation of partnership working with National Highways in addressing the Council's concerns over the Ford Road Junction.

693. MOTIONS

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

(The meeting concluded at 10.06 pm)

# Public Document Pack

Subject to approval at the next Full Council meeting

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## **MINUTES OF A MEETING OF THE ARUN DISTRICT COUNCIL HELD IN THE ARUN CIVIC CENTRE ON 9 MARCH 2022 AT 6.00 pm**

Present: Councillors Brooks (Chair), Staniforth (Vice-Chair), Baker, Batley, Bennett, Bicknell, Blanchard-Cooper, Bower, Buckland, Caffyn, Chapman, Chace, Clayden, Mrs Cooper, Cooper, Coster, Daniells, Dendle, Dixon, Edwards, Elkins, Mrs English, English, Goodheart, Gregory, Gunner, Hamilton, Haywood, Hughes, Kelly, Lury, Madeley, Needs, Oliver-Redgate, Oppler, Purchase, Rhodes, Roberts, Smith, Stainton, Stanley, Thurston, Dr Walsh, Warr, Worne and Yeates.

The following Members were absent from the meeting during consideration of the matters referred to in the Minutes indicated:-  
Councillor Gunner – Minute 710 to Minute 716 (part); Councillors Purchase and Worne – Minute 723 to Minute 729.

### 710. WELCOME

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

### 711. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Catterson, Charles, Huntley, Jones, Northeast, Pendleton, Seex and Tilbrook and from Honorary Aldermen, Mrs Stinchcombe and Mr Dingemans.

### 712. DECLARATIONS OF INTEREST

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

Councillor Worne queried why, as a Member of Ford Parish Council, this was not shown on the Declarations of Interest Table. The Committee Services Manager confirmed that it would be necessary to check Councillor Worne's Register of Interest form to see if her membership to Ford Parish Council had been confirmed. If not, this was why her Parish Councillor membership had not been included.

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

713. CHANGE TO THE ORDER OF THE AGENDA

Due to the absence of the Leader of the Council, Councillor Gunner, the Chair proposed to change the order of business in the agenda which was to defer Public Question Time to the end of the meeting. This was approved by the Council.

714. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS [BY ADVANCE NOTICE]

No questions were asked.

715. PETITIONS

There were no petitions presented to this meeting.

716. MINUTES

The minutes from the Special Meetings of the Council held on 23 February and 3 March 2022 were presented for approval. Both sets of minutes had been circulated separately to the agenda.

In relation to the minutes from the Special Council meeting held on 3 March 2022, Councillor Thurston confirmed that at Minute 692 [National Highways' Proposals for the A27 Arundel Improvements – Response to Statutory Consultation (Grey Route)] the statements that had been made at the meeting by Ward Councillors had not been adequately minuted. She wished this to be corrected.

In relation to the minutes from the Special Council meeting held on 23 February 2022, Councillor Coster confirmed that at Minute 684 [Adjourned Recommendation 9 from the Special Meeting of the Council held on 23 February 2022 [Statutory Resolutions] the recorded vote for this item needed to be checked in terms of those confirmed as abstained from voting.

Councillor Coster then raised a Point of Order and a Point of Clarification in line with Part 5, Section 1 – Council Procedure Rules, Rule 17.7 [Amendments to Motions] in relation to Minute 681 [Arun District Council Budget 2022/23] in terms of the advice that had been provided by the Interim Group Head of Law & Governance and Monitoring Officer in response to the amendment that had been proposed by Councillor Walsh and seconded by Councillor Coster. Councillor Coster asked the Interim Group Head of Law & Governance and Monitoring Officer to explain further to this meeting the advice that he had given.

Councillor Batley confirmed that his vote had not been recorded at Minute 681 and he asked for the Minutes to be amended to reflect his vote.

The Chair invited the Interim Group Head of Law & Governance to provide advice. He advised that a Point of Order could not be raised for a meeting which had been closed and that the minutes from the previous two meetings held on 23 February and 3 March 2022 would be reviewed for accuracy and the requested statements added.

The Chair confirmed that the approval of the minutes from the Special Meetings of the Council held on 23 February and 3 March 2022 would be deferred until the next Full Council meeting to be held on 11 May 2022.

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717. CHAIR'S ANNOUNCEMENTS

The Chair outlined that he was delighted to have the opportunity to celebrate one of Arun's colleagues this week. He announced that Ivan Greer, the Council's Buildings Manager, had just reached an amazing goal of being able to celebrate an incredible 30 years of service volunteering for the RNLI.

Ivan had joined the Littlehampton RNLI in 1991 as trainee crew. He successfully qualified as crew and then as a helm – a role in which he was responsible for the lifeboat during shouts and training sessions. Over the years Ivan had seen some harrowing incidents and had been part of many life-saving rescues.

The Chair stated that he hoped that the council would join with him in passing on huge congratulations and a big thank you to Ivan for his continued commitment and support to this vital service.

718. URGENT MATTERS - THE BARNHAM AND EASTERGATE NEIGHBOURHOOD DEVELOPMENT PLAN 2019-2031

The Chair confirmed that there was one urgent matter for the Council to consider. He reminded Members that at the meeting of the Council held on 26 January 2022, the Chair of the Planning Policy Committee, Councillor Bower, had confirmed that consideration of Minute 480 [To 'Make' the Barnham and Eastergate Neighbourhood Development Plan (Review) 2019-2031] had been withdrawn based upon legal advice and as the process of making the modified Barnham and Eastergate Neighbourhood Plan had been challenged by Judicial Review.

The matter of 'making' the Plan could now be considered by the Council and was being presented as urgent so that the matter could be resolved now instead of having to wait until the next meeting of the Council on 11 May 2022. It was confirmed that an urgent report had been emailed to all Councillors earlier in the day and uploaded to the Council's web pages.

The meeting then received some further background from the Interim Group Head of Law and Governance and Monitoring Officer confirming that Judicial Review proceedings were now withdrawn. Earlier that afternoon this had been confirmed with a consent order having been received from the court, meaning that it was now possible for the Council to 'make' the Plan.

Councillor Bower, as Chair of the Planning Policy Committee, therefore proposed the recommendation in the report which was seconded by Councillor Hughes.

The Interim Group Head of Law & Governance and Monitoring Officer confirmed that the recommendation moved by Councillor Bower had been based on the facts in place at that time. Due to the news just announced, the Barnham and Eastergate Neighbourhood Development Plan 2019-2031 could now be 'made' with immediate effect. In response, Councillor Bower confirmed an amendment to the recommendation he had proposed earlier to read "That the Council 'makes' the Barnham and Eastergate Neighbourhood Development Plan 2019-2031 to take effect from 9 March 2022".

The Council

RESOLVED

That the Council 'makes' the Barnham and Eastergate Neighbourhood Development Plan 2019-2031 to take effect from 9 March 2022.

719. APPOINTMENT OF VICE-CHAIR OF THE COUNCIL FOR THE MUNICIPAL YEAR 2022/23

In accordance with the Constitution, the Council was requested to appoint a Vice-Chairman and Chairman Elect for the Municipal Year 2022/23.

Two candidates had been nominated for the role. These were Councillor Alison Cooper, from the Conservative Group and Councillor Francis Oppler, from the Liberal Democrat Group.

Having had both nominations proposed and seconded by each Group, a secret ballot was undertaken with the results being declared by the Interim Group Head of Law & Governance and Monitoring Officer. He announced that 2 Councillors had abstained; that there were 7 spoilt papers, 16 voting for Councillor Oppler and 20 voting for Councillor Alison Cooper.

Councillor Alison Cooper was confirmed as having been selected for the appointment of Vice-Chairman of the Council for 2022/23 and Chairman Elect of the Council for 2023/24.

Congratulations were then extended to Councillor Mrs Cooper in being appointed Vice-Chairman of the Council for 2022/23 and Chairman Elect for 2023/34.

Councillor Staniforth, as Chair-Elect, confirmed that she was very much looking forward to working with Councillor Cooper as her Vice-Chair over the next Municipal Year. In response, Councillor Cooper thanked Members for their support confirming that she would represent the council to the best of her ability.

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720. CALENDAR OF MEETINGS FOR 2022/23

The Interim Group Head of Law & Governance and Monitoring Officer introduced this report confirming that this was the annual report asking Council to agree its Calendar of Meetings for 2022/23. The factors of consideration that had been taken into account in compiling the calendar had been highlighted in the report and were explained at the meeting.

Councillor Gunner then formally proposed the Calendar of Meetings for 2022/23 which was then seconded by Councillor Cooper.

The Council

RESOLVED – That

- (1) The Calendar of Meetings for 2022/23 be approved; and
- (2) It be noted that the dates proposed can be subject to change by the Council or the Chair of the Council or relevant Committee if there was an exceptional need for the date to be changed.

721. CORPORATE SUPPORT COMMITTEE - 18 JANUARY 2022

The Chair of the Corporate Support Committee, Councillor Dendle, presented two recommendations from the meeting of the Corporate Support Committee held on 18 January 2022.

The recommendations were at Minute 558 [Pay Policy Statement 2022-23 which Councillor Dendle formally proposed. The recommendations were then seconded by Councillor Roberts.

The Council

RESOLVED – That

- (1) The Pay Policy Statement 2022/23 be approved for publication on the Arun website by 1 April 2022; and
- (2) Responsibility be delegated to the Interim Group Head of Corporate Support and Section 151 officer to make changes to the Pay Policy Statement should new legislation be introduced during the forthcoming year that had an effect on its content.



**722. PLANNING POLICY COMMITTEE - 25 JANUARY 2022**

The Chair of the Planning Policy Sub-Committee, Councillor Bower, presented a recommendation from the meeting of the Planning Policy Committee held on 25 January 2022.

Councillor Bower alerted Members to a recommendation at Minute 605 [CIL Infrastructure Investment Plan (IIP 2022-2024)]. Councillor Bower explained that this was very much welcomed and was a good news item for the district as it confirmed how Community Infrastructure Levy funding would be spent in conjunction with Town and Parish Councils and West Sussex County Council. Councillor Bower therefore proposed the recommendation which was then seconded by Councillor Hughes.

The Chair invited debate. One Councillor confirmed that he could not welcome or support the document as there was little within it that would benefit any resident in the district located west of the River Arun. It was disappointing that only the projects highlighted in green in the supporting paperwork would be pushed forward meaning that there were many other significant projects that would not be developed further.

A query was raised by another Councillor in relation to the A29 Realignment [ID No 25/ADC/TI] showing a figure of £70m pounds whilst the report that went to the Committee showed a figure of £67m and how did this effect the recommendation moving forward? Other questions were also asked regarding the Arundel to Ford Cycle paths [as there was one running down alongside the River Arun and one running down the road]. Instead of having two paths at Arundel, could one not be considered from Aldwick to Pagham? Concerns were again expressed as to how light the proposed infrastructure was for the western side of the district.

The Interim Group Head of Law & Governance and Monitoring Officer explained that the figures in the appendix to the report were different to what had been brought before the Committee, as the link used for the appendix had been updated to reflect the true figures, this was the only change that had been made to the document. The Director of Place explained that the figure for the A29 had been updated following additional information received from West Sussex County Council.

Further questions were then asked which were responded to at the meeting.

A request was then made that the voting on this item be recorded. Those voting for it were Councillors Baker, Bicknell, Bower, Buckland, Caffyn, Chace, Chapman, Clayden, Mrs Cooper, Cooper, Daniells, Dendle, Edwards, Elkins, Mrs English, English, Goodheart, Gunner, Hughes, Kelly, Madeley, Oliver-Redgate, Rhodes, Roberts, Stainton, Staniforth and Thurston (27). No Councillors voted against. Those abstaining were Councillors Batley, Bennett, Blanchard-Cooper, Brooks, Coster, Dixon, Gregory, Hamilton, Haywood, Lury, Needs, Oppler, Smith, Stanley, Walsh, Warr and Yeates (17).

The Council

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RESOLVED

That the Arun Infrastructure Investment Plan (for the period 2022-2024) be approved and published on the Council's website.

723. POLICY AND FINANCE COMMITTEE - 10 FEBRUARY 2022

The Chair of the Policy & Finance Committee, Councillor Gunner, presented recommendations from the meeting of the Policy & Finance Committee held on 10 February 2022.

Councillor Gunner drew Members' attention to the first recommendation at Minute 652 [Capital Strategy 2022/23 to 2026/27] which in formally proposing thanked the Interim Group Head of Corporate Support & Section 151 Officer and her team for preparing this substantial document. Councillor Cooper then seconded the recommendation.

The Council

RESOLVED

That the Capital Strategy 2022/23 to 2026/27 be approved.

Councillor Gunner then alerted Members to the next recommendation at Minute 653 [Council Vision 2022-2026] which he proposed. The recommendation was seconded by Councillor Cooper.

The Council

RESOLVED

That the Council Vision 2022-2026 be approved.

724. AUDIT & GOVERNANCE COMMITTEE - 22 FEBRUARY 2022

The Chair of the Audit & Governance Committee, Councillor Clayden, presented the recommendations following the meeting of the Audit & Governance Committee held on 22 February 2022.

Councillor Clayden alerted Members to three recommendations at Minute 668 [Treasury Management Strategy Statement and Annual Investment Strategy] which he formally proposed. The recommendations were then seconded by Councillor Chapman.

The Council

RESOLVED – That

- (1) The Treasury Management Statement for 2022/23 to 2024/25 be approved and adopted;
- (2) The Annual Investment Strategy for 2022/23 to 2024/25, including the addition of new counterparties; JP Morgan Chase Bank and National Australia Bank, be approved and adopted; and
- (3) The Prudential Indicators within the TMSS and AIS for 2022/23 to 2024/25 as contained in Appendix 1 and the body of the report be approved.

725. MOTIONS

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

726. GENERAL QUESTIONS FROM MEMBERS [BY ADVANCE NOTICE]

The Chair referred Councillors to the Questions from Members that had been circulated to the meeting and submitted in line with Council Procedure Rule 14.3. Supplementary questions and answers were raised and provided. A final schedule of these questions will be uploaded to this meeting's web page within ten working days of this meeting.

A summary of the questions is set out below:

- (1) Councillor Dixon to the Chair of the Economy Committee – Councillor Cooper  
Re: The A27 Arundel Bypass
- (2) Councillor Dixon to the Chair of the Environment Committee – Councillor Edwards  
Re: The A27 Arundel Bypass
- (3) Councillor Stanley to the Chair of the Environment Committee – Councillor Edwards  
Re: The Bersted Brooks County Park
- (4) Councillor Stanley to the Vice-Chair of the Housing & Wellbeing Committee – Councillor Gregory  
Re: Did the Council have an up to date Accessibility Policy
- (5) Councillor Stanley to the Vice-Chair of the Housing & Wellbeing Committee – Councillor Gregory  
re: Resolving accessibility issues in the Councils sheltered accommodation
- (6) Councillor Stanley to the Chair of the Environment Committee, Councillor Edwards  
Re: when the first meeting of the Beach Access Working Party will take place
- (7) Councillor Stanley to the Chair of the Planning Policy Committee, Councillor Bower  
Re: Consultation undertaken by developers in reference to the Felpham Golf Course
- (8) Councillor Stanley to the Chair of the Audit & Governance Committee, Councillor Clayden  
Re: Requesting an update on the progress of the Council's Equality and Diversity Audit

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- (9) Councillor Stanley to the Chair of the Economy Committee, Councillor Cooper Re: The London Road Lorry/Coach Park
- (10) Councillor Stanley to the Chair of the Economy Committee, Councillor Cooper Re: Future agenda items for the Committee
- (11) Councillor Stanley to the Leader of the Council, Councillor Gunner Re: Would a referendum be held on the governance structure of this council?
- (12) Councillor Stanley to the Vice-Chair of the Housing & Wellbeing Committee, Councillor Gregory Re: Upgrades to the Arun Leisure Centre

727. COMMITTEE MEMBERSHIPS

The Leader of the Council, Councillor Gunner, confirmed that there were no changes to Committee Memberships to report to the meeting.

728. REPRESENTATION ON OUTSIDE BODIES

The Chair confirmed that there were no changes to representation on Outside Bodies for the meeting to consider.

729. PUBLIC QUESTION TIME [BY ADVANCE NOTICE]

The Chair confirmed that four questions had been submitted for this meeting. All four questions were from Mr Cosgrove to the Chair of the Policy & Finance Committee, Councillor Gunner, as summarised below:

- (1) In relation to the financial benefits of the Levelling-Up Grant and The Regis Centre, re-clad;
- (2) In relation to the setting up of a Working Party to look at Regeneration presentations;
- (3) In relation to regeneration presentations for Bognor Regis; and
- (4) In relation to supporting the people of Ukraine at this time.

*(A schedule of the full questions asked, and the responses provided would be uploaded to the Full Council web page.)*

The Chairman then drew Public Question Time to a close and concluded the meeting.

(The meeting concluded at 8.10 pm)

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## MINUTES OF AN EXTRAORDINARY MEETING OF THE ARUN DISTRICT COUNCIL HELD IN THE ARUN CIVIC CENTRE ON 14 APRIL 2022 AT 6.00 PM

Present: Councillors Brooks (Chair), Staniforth (Vice-Chair), Blanchard-Cooper, Bower, Chapman, Chace, Clayden, Mrs Cooper, Cooper, Coster, Daniells, Dixon, Edwards, Elkins, Mrs English, English, Goodheart, Gunner, Hamilton, Haywood, Huntley, Kelly, Lury, Madeley, Oliver-Redgate, Oppler, Pendleton, Smith, Stainton, Stanley, Thurston, Walsh, Warr and Worne.

### 811. WELCOME

The Chair welcomed Members and Officers to this Extraordinary Meeting of the Council.

### 812. APOLOGIES FOR ABSENCE

Apologies for Absence had been received from Councillors Batley, Caffyn, Charles, Dendle, Gregory, Hughes, Jones, Needs, Northeast, Purchase, Roberts, Tilbrook and Yeates and from both of the Council's Honorary Aldermen Mrs Stinchcombe and Mr Dingemans.

### 813. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

### 814. QUESTIONS FROM MEMBERS WITH PECUNIARY/PREJUDICIAL INTERESTS

The Chair confirmed that there were no questions raised.

### 815. EXEMPT BUSINESS

The Council

#### RESOLVED

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

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816. APPOINTMENT TO THE POST OF GROUP HEAD FOR LAW AND GOVERNANCE (MONITORING OFFICER) [EXEMPT - PARAGRAPH 1 - INFORMATION RELATING TO ANY INDIVIDUAL]

In the absence of the Chief Executive, the Interim Group Head of Corporate Support and Section 151 Officer presented a report asking the Council to approve the appointment to the position of Group Head for Law and Governance. It was highlighted that the postholder would also hold the statutory position of Monitoring Officer.

Questions were asked about the background of the proposed appointee which were responded to at the meeting. Following further discussion, the Leader of the Council, Councillor Gunner, conveyed his thanks to those Members of the Interview Panel for their work in this recruitment process.

Following further debate, Councillor Stanley then proposed a Motion Without Notice, that the question now be put which was seconded by Councillor Edwards. The Chair concluded that the item had been adequately discussed and so having put this to the vote it was declared CARRIED.

The Council

RESOLVED

That the appointment of Daniel Bainbridge to the post of Group Head of Law and Governance (Monitoring Officer) be confirmed in accordance with the Council's Constitution.

817. PRE-CONSTRUCTION WORKS RELATING TO LAND AT CANADA ROAD AND ELLIS CLOSE, ARUNDEL AND WESTLOATES LANE, BOGNOR REGIS [EXEMPT - PARAGRAPH 3 - THE SUPPLY OF GOODS AND SERVICES]

The Chair confirmed that this item had been withdrawn.

(The meeting concluded at 6.26 pm)

## Arun District Council

<b>REPORT TO:</b>	<b>REPORT OF CONSTITUTION WORKING PARTY TO FULL COUNCIL ON 11 MAY 2022</b>
<b>SUBJECT:</b>	<b>CONTINUING THE TRANSITION TO THE COMMITTEE SYSTEM – AMENDMENTS TO THE CONSTITUTION</b>
<b>LEAD OFFICER:</b>	<b>SOLOMON AGUTU</b> <b>INTERIM GROUP HEAD OF LAW AND GOVERNANCE &amp; MONITORING OFFICER</b>
<b>LEAD MEMBER:</b>	<b>CLLR RICKY BOWER – CHAIR OF THE CONSTITUTION WORKING PARTY</b>
<b>WARDS:</b>	<b>ALL</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b>	
<p>Article 1 Paragraph 3 of the Constitution sets out the purposes of the Constitution. These recommendations are intended to implement this paragraph more accurately and more particularly to enable decisions to be taken efficiently and effectively.</p>	

### 1. PURPOSE OF REPORT

- 1.1. This report contains recent recommendations from the Constitution Working Party (CWP) on continuing amendments to the Constitution designed to smooth the transition from Cabinet to a Committee system of Governance.
- 1.2. This report also brings to Full Council amendments recommended by the Planning Committee and accepted by CWP relating to Site Visits – the minutes from that meeting of the Constitution Working Party held on 7 February 2022 are attached as an Appendix.
- 1.3. This report draws Council’s attention to consequential changes to be made by the Monitoring Officer under delegated powers as a result of organisational and legislative changes (e.g., Part 4, Section 1, para 7.2 references to *Public Health England* should be changed to *UK Health Security Agency*), and change of titles, eg Group “Head of Law and Governance & Monitoring Officer” instead of “Head of Council Advice & Monitoring Officer” and legacy changes which were previously missed but are consequences of decisions made by Full Council to move to a committee system

### 2. RECOMMENDATIONS

- 2.1. That Full Council accepts the amendment to the Articles (Part 2 article 14.2 of the constitution), (changes to the constitution) – see Annexe 1 and also Appendix 1.

- 2.2. That Full Council accepts the amendment to the Articles (Part 2 of the constitution Article 1.0 of the constitution) to insert the following sentence after the first sentence “ *no person shall be eligible for nomination as chair or vice chair for as long as they hold a position of responsibility as Leader or deputy leader within a political group*” (Appendix 1).
- 2.3. That Full Council accepts the amendment to Part 3 of the Constitution (Responsibility for Functions) to include a requirement that each service committee is to appoint an Urgency Sub-Committee composed of the Chair, Vice-Chair and one other Member of the Committee.
- 2.4. That Full Council accepts amendments to the Committee Procedure Rules (Part 5 Section 2 Paragraph 8.1) to reduce the default length of meetings to three hours (from four and a half hours).
- 2.5. That Full Council (with the exception of the Council Tax meeting) accepts amendments to the Council Procedure Rules (Part 5 Section 1 Paragraph 17.5) and Committee Procedure Rules (Part 5 Section 2 Paragraph 13.3) to reduce the length of speeches for ordinary council and ordinary committee meetings from 5 minutes to three 3 minutes.
- 2.6. That Full Council accepts amendments to Part 5 Section 1 Paragraph 12 to make provision for valid Public Questions which in the opinion of the Monitoring Officer relate to the terms of reference of a Council committee to be accepted at Full Council and be automatically referred by Full Council without discussion or debate to the relevant committee.
- 2.7. Full Council accepts the amendment to Part 4 Section 1 (Chief Executive and Directors) and deletion of Part 4 Section 2 (Chief Executive and Directors) and Part 4 Section 3 (Group Heads). This means that Part 4 Sections 2 and 3 are removed from this part of the constitution and placed in Part 7 (Management Structure). (See appendix 2) The matters reserved scheme will not be continued in its present form.
- 2.8. Accept the changes to Part 6, Section 4 - Purchasing Procurement Contract rules (appendix 4)
- 2.9. Accept the changes to Part 6, Section 3 - Financial Procedures (appendix 3)
- 2.10. Recommend to Council the changes to Part 8, Section 3 - Planning Protocol agreed by the Planning Committee on 2 February 2022 and agreed by CWP on 7 February 2022 relating to site visits.
- 2.11. Full Council accepts amendments to Part 9 Section 5 (Filming and Photographic Protocol) to clarify that the protocol applies to Councillors as it applies to Members of the Public and allows councillors to record and film during meetings.
- 2.12. Note the consequential amendments as a result of organisational and legislative changes.



2.13. That CWP reports back to Full Council on the postponed consideration of

- Part 3 (Responsibility for functions) including proposals for the reduction in the number of committees and the reduction in the number of Full Council and committee meetings.
- Referral and Recovery procedures
- Amendment to the Petition scheme to clearly exclude planning and licensing related matters and to clarify that the Petition Scheme only applies to matters within the powers of the District Council
- Quorum and voting at hybrid meetings
- Making provision for electronic voting (when the electronic voting system has been installed) and to clarify all voting procedures

### **3. EXECUTIVE SUMMARY**

- 3.1. The main recommended changes to the constitution are based on the central idea that members make strategic decisions and officers make operational decisions (members are to steer; officers are to row). The changes involve rebalancing the Officer Scheme of Delegation balanced by increased officer accountability that requires committee agendas to include items for scrutiny, policy development items, performance management items, as well as decision making reports.
- 3.2. The secondary recommended changes come from rolling review of the constitution to include removal of legacy cabinet provisions and to implement suggestions from the Planning Committee accepted by CWP.
- 3.3. Tertiary recommended changes are changes required by organisational changes and legislative changes.

### **4. DETAIL**

- 4.1. In May 2021, Arun District Council migrated from a Cabinet system to a Committee system by making changes to the executive model constitution. The committee system has now been in operation for 8 months. It has now become clear that the migration to the Committee system requires more than just a change to the text of the constitutional document. It also requires a mind shift in order to effectively operate the Committee system.
- 4.2. With the assistance of external consultants, officers undertook a review of the new committee style constitution to:
- identify legacy provisions which still reflect the Executive system of governance and to suggest how to remove/amend them
  - identify new provisions not in the constitution which will help support the mental transition to committee governance

- note the specific provisions already identified as requiring attention as they are neither effective efficient or economic in the context of a committee system.
- 4.3. The Interim Group Head of Law and Governance & Monitoring Officer is now able to make recommendations following consideration of the report from Kirsty Cole and Cllr Roger Blaney (Joint Consultants). Not every recommendation by the joint consultants has been accepted as the Interim Group Head of Law and Governance has also had regard to the views of the Council's Corporate Management Team, Senior Management Team and Councillors.
- 4.4. It is generally accepted that the transition to a committee system needs to be completed by a culture change. A culture change can come about partly by acceptance of change to structures and procedures – but mostly a change of mindset is also required on the part of officers and members.

## **5. CONSULTATION AND FEEDBACK FROM CWP**

- 5.1. Following discussion with committee chairs a presentation to which all members were invited took place on 14 March 2022 with Kirsty Cole and Roger Blaney.
- 5.2. Discussion with officers took place on 10 March 2002 and discussion with CMT took place on 5 April 2002 and has been continuing since.
- 5.3. Officers took a report to CWP on 11 April 2022 based on the consultant's report. The main recommendations to CWP were built on the central idea that members make strategic decisions and officers make operational decisions (members are to steer; officers are to row). CWP was asked to agree a set of principles namely:
- The principle of an overarching Policy and Finance Committee
  - reducing the number of committees, and
  - reducing the number of committee meetings.
  - rebalancing the Officer Scheme of Delegation balanced by increased officer accountability that requires committee agendas to include items for scrutiny, policy development items, performance management items, as well as decision making reports.
- 5.4. CWP noted the principle of reducing the number of committees and principle of reducing the number of full council and committee meetings but felt that it was premature to discuss the proposals arising from these two principles. CWP noted that the Policy and Finance Committee already operates as a co-ordinating rather than an overarching committee. The discussion on reducing the number of meetings and reducing the number of committees was rolled forward to the next meeting of CWP and so there are no recommendations relating to this at this meeting.

- 5.5. CWP discussed the principle of delegation to the Chief Executive. The interim Monitoring Officer explained that the Scheme of delegation should be a delegation to the Chief Executive who would then authorise officers using a “scheme of authorisation”. Therefore, the key decision for Members was how much is being delegated to the chief executive generally and specifically in terms of financial decision making. It was recommended that in urgent circumstances the Chief Executive should be able to spend up to £1m without reference to committee. In principle the delegation to other officers should not be made by Members but by the Chief Executive. Thus, in a committee system, Parts 4 of the constitution only requires an adapted Section 1. Sections 2, 3 and 4 are not required. Following discussion CWP did not agree a £1m financial delegation to the Chief Executive in cases of urgency but agreed £500,000 instead.
- 5.6. In terms of member request for more scrutiny and performance management by committees the Interim Monitoring Officer explained that It was expected that Lead officers would develop committee work programmes which included decision making items, policy development items, and scrutiny items. Officers would make decisions in accordance with policies adopted by Members and so it is expected that officers will bring forward strategic policies for Member approval. In discussion about procurement and financial regulations examples were given of the policies which will be brought forward such as Debt Management and write offs, Virement, Procurement policy and a Property Acquisition and Disposal Policy
- 5.7. Officers recommended the reinstalment of the six-month recission policy, but CWP did not agree to that recommendation and therefore there is no proposal about reinstating this provision before this meeting.
- 5.8. A number of procedural amendments were discussed by CWP. These are set out in the annexes.
- 5.9. A number of technical and consequential amendments were notified to CWP where the law or organisational changes required the amendments. These will be actioned by the Monitoring Officer

## **6. FINANCIAL CONSIDERATIONS**

- 6.1. The amendments recommended to this meeting have neutral financial considerations.

## **7. RISK MANAGEMENT CONSIDERATIONS**

- 7.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is the Council’s risk appetite.

- 7.2. Changes in the Council's Vision, objectives, and upcoming projects create an opportunity to review the Council's Risk Management Strategy and supporting risk management processes. Operating at Strategic level allows members to define the risk appetite of the Council and what this means in terms of decision making.
- 7.3. Risk appetite is the level of risk that the Council is prepared to tolerate or accept in pursuit of its objectives whilst recognising the potential benefits that might result from a higher degree of risk taking.
- 7.4. Accepting these recommendations represent a very low risk to compliance and regulatory requirements and low financial risk. Not accepting these recommendations represent a high risk to the reputation of the Council, a high risk to the transformational change that the Council is embarked upon.

## **8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER**

- 8.1. Article 14 of the Constitution makes provision for changes to the constitution. In legal terms the current paragraph 2.0(i) and (ii) are irrelevant and a source of confusion and are to be deleted.
- 8.2. The current paragraph 2.0 (iii) delegates authority to the Monitoring Officer to make consequential changes to the constitution. One change in particular relates to provisions in the constitution which wrongly empower the Chief Executive to make decisions which should be made by the Monitoring Officer as this is the Officer charged with maintaining the constitution and advising on lawfulness under Article 11. The substitution of the Chief Executive with the MO in Article 14 paragraph 2.0 (iv) is a case in point.
- 8.3. Part 4 (Officer Scheme of Delegation) is anomalous in a committee governance system. Under provisions of the Local Government and Housing Act 1989 (and regulations made under it), the Head of Paid service is responsible for the management of staff. That includes making decisions about the authority of staff reporting to the Head of Paid Service to make decisions. Part 4 of the constitution is anomalous to the extent that it suggests that Council is responsible for deciding on the delegation to Officers below the Head of Paid Service (who are not the Monitoring Officer or the Section 151 Officer). Recommendation 2.4 is designed to correct this anomaly. This recommendation primarily relates to clarifying the delegation to the Chief Executive and uncoupling the Full Council's delegation to the Chief Executive from the delegations to other officers. This means that Part 4 Sections 2 and 3 are removed from this part of the constitution and placed in Part 7 (Management Structure) becoming an internal officer management document and not a constitutional document.
- 8.4. Specific legal advice will be provided as necessary as each recommendation is considered.

## **9. HUMAN RESOURCES IMPACT**

9.1. None for the purposes of this report..

## **10. HEALTH & SAFETY IMPACT**

10.1. Generally, the rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is Health and Safety Impact of decisions. This new style report writing framework together with the expected member focus on strategic issues embedded in the changes to the constitution will give members a better understanding of this impact

10.2. The Council is committed to doing all that is reasonably practicable to protect the health, safety and welfare of employees and members through applying the high standards set out within the Council's health and safety policy.

## **11. PROPERTY & ESTATES IMPACT**

11.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is the impact of decisions on Property and Estates. This new style report writing framework together with the expected member focus on strategic issues embedded in the changes to the constitution will give members a better understanding of this impact.

## **12. EQUALITIES IMPACT ASSESSMENT (EIA)**

12.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is equalities and diversity. This new style report writing framework together with the expected member focus on strategic issues embedded in the changes to the constitution will give members a better understanding of this impact.

## **13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT**

13.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is climate change and environmental impact. This new style report writing framework together with the expected member focus on strategic issues embedded in the changes to the constitution will give members a better way of monitoring how the climate change strategy is being implemented.

## **14. CRIME AND DISORDER REDUCTION IMPACT**

- 14.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is Crime and Disorder Reduction Impact. This new style report writing framework together with the expected member focus on strategic issues embedded in the changes to the constitution will give members a better understanding of this impact.
- 14.2. It is expected that all reports to committee will allow members to address the crime and disorder implications of all the strategic decisions by ensuring that each committee work programme considers the Arun Safer Community Partnership strategy as it affects their terms of reference.

## **15. HUMAN RIGHTS IMPACT**

- 15.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is Human Rights.

## **16. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

- 16.1. The rebalancing of member and officer roles requires that officers become accountable to members on key matters of strategic impact. One of these matters is Freedom of Information and Data Protection Impact Assessments.

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### **CONTACT OFFICER:**

Name: Solomon Agutu

Job Title: Interim Group Head of Law and Governance & Monitoring Officer

Contact Number: 07733125781

**ANNEXE 1-** Article 14 and

**ANNEXE 2-** summary changes to Procurement and Financial Regulations

### **APPENDICES**

**Appendix 1 – Amended Part 2 (Articles)**

**Appendix 2 – Amended Part 4 (Officer Scheme of Delegation)**

**Appendix 3 – Amended Part 6 (Financial Rules)**

**Appendix 4 - Amended Part 6 (Procurement Rules)**

**Appendix 5 - Amended Site Visit protocol**

## ANNEXE 1 – Article 14

The main change to the articles is to articles 1 and 14.

The proposals for the amendment to Article 1 is based on the long-standing custom and practice that a person who holds a position of responsibility within their local political group should not be eligible for nomination as Chair or vice chair of the Council.

The proceedings of Full Council in September 2021 drew attention to the lack of clarity of the mechanics of how Article 14 operates. Recommendation 2.1 is to clarify the operation of Articles 14.

### **ARTICLE 14 – REVIEW AND REVISION OF THE CONSTITUTION**

#### **1.0 DUTY TO MONITOR AND REVIEW THE CONSTITUTION**

The Constitution Working Party will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect. **Subject to paragraph 2.0 below amendments to the Constitution will only be made on the recommendation of the Constitution Working Party**

#### **2.0 CHANGES TO THE CONSTITUTION**

The Full Council has delegated authority to:

- ~~(i) the Planning Committee to approve changes to the Scheme of Delegation for development control services which are the responsibility of the Director of Place and Group Head of Planning;~~
- ~~(ii) the Licensing Committee to approve changes to the Scheme of Delegation for environmental and licensing services which are the responsibility of the Director of Place and Group Head of Technical Services;~~
- (iii) the Monitoring Officer to make consequential changes as a result of the modification or re-enactment of legislation or express changes consequential to an agreed decision of Full Council; and
- (iv) the Monitoring Officer, in **written** consultation with the chair of the Constitution Working Party **at least three days before relevant Full Council meeting**, to **propose that** for any other reason the proposed change be put direct to Full Council for consideration and decision.

## **ANNEXE 2**

Amend the Financial Regulations and require the adoption of policies on (a) Debt Management and write offs (b) Virement (c) External grants

Amend the Procurement Rules and Contract Standing Order and require the adoption of a Procurement Policy to guide and steer officer decision making (a ) Adopt disposals and acquisitions policy on commercial property and (b) disposals policy on stores and equipment surplus to requirements

### **Why?**

to transfer previous ICMs to officers being part of cabinet legacy but to require officers to carry out these functions within a policy context prescribed by Members. Where it is not desirable to transfer previous ICM's to officers, to create urgency sub committees with chair vice chair and opposition lead.

### **Procurement Rules Part 6 Section 4**

Glossary added to and deleted reference to EU and ICMs

Banding changed by removing middle bands

Under 10k – delegated to officers

~~£10k to £50k~~

~~£50K to £189k~~

Up to £189k – delegated to officers

Over £189k – reserved to committee

Technical and organisational changes

Requires the adoption of an asset disposal policy

### **Finance Regulations - Part 6 Section 3**

Technical and organisational changes

Scheme of Virement to be approved by Members

Virements over £500,000 to be agreed by Members

Asset Disposal Policy to be agreed by Members

Debt Management and Write Off Policy to be agreed by Finance and Policy Committee

Solomon Agutu



**PART 2 - ARTICLES OF THE CONSTITUTION**

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**PART 2 – ARTICLES OF THE CONSTITUTION**

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**CONSTITUTION 2021**  
**PART 2 – ARTICLES OF THE CONSTITUTION**

**ARTICLE 1 – THE CONSTITUTION**

**1.0 FUNCTIONS (POWERS AND DUTIES) OF THE COUNCIL**

The council will exercise all its powers and duties in accordance with the law and this Constitution.

**2.0 THE CONSTITUTION**

This Constitution, and all its sections, is the Constitution of Arun District Council.

**3.0 PURPOSE OF THE CONSTITUTION**

The purpose of the Constitution is to:

- (i) enable the council to provide clear leadership to the community in partnership with residents, businesses and other organisations;
- (ii) support the active involvement of residents in the process of local authority decision making;
- (iii) help councillors represent their constituents more effectively;
- (iv) enable decisions to be taken efficiently and effectively;
- (v) create a powerful and effective means of holding decision-makers to public account;
- (vi) ensure that no one will review or scrutinise a decision in which they were directly involved;
- (vii) ensure that those responsible for decision making are clearly identifiable to local people and that they explain the reasons for decisions; and
- (viii) provide a means of improving the delivery of services to the community.

**4.0 INTERPRETATION AND REVIEW OF THE CONSTITUTION**

Where the Constitution permits the council to choose between different courses of action, the council will always choose that option which it thinks is closest to the purposes stated above. The council will monitor and evaluate the operation of the Constitution as set out in Article 13.

**CONSTITUTION 2021**  
**PART 2 – ARTICLES OF THE CONSTITUTION**

**ARTICLE 2 – MEMBERS OF THE COUNCIL**

**1.0 COMPOSITION AND ELIGIBILITY**

**(a) Composition**

The council comprises 54 members otherwise called councillors. Between two and three councillors will be elected by the voters of each ward in accordance with the scheme drawn up by the Local Government Boundary Commission for England and approved by the Secretary of State.

**(b) Eligibility**

Only registered voters of the Arun District, those living or working there, or those who occupy as owner or tenant land or other premises in the district will be eligible to hold the office of councillor.

**2.0 ELECTION AND TERMS OF COUNCILLORS**

The regular election of councillors will be held on the first Thursday in May every four years. The term of office of councillors will start on the fourth day after being elected and will finish on the fourth day after the date of the election four years later.

**3.0 ROLES AND FUNCTIONS OF ALL COUNCILLORS**

**Key roles** – All councillors will:

- (i) collectively be the ultimate policymakers and carry out a number of strategic and corporate management functions;
- (ii) contribute to the good governance of the district and actively encourage community participation and residents' involvement in decision making;
- (iii) effectively represent the interests of the council's area with special responsibility to the residents in their ward;
- (iv) respond to constituents' enquiries and representations, fairly and impartially;
- (v) participate in the governance and management of the council; and
- (vi) maintain the highest standards of conduct and ethics.

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**Rights and Duties** – All councillors will:

- (i) have rights of access to only such documents, information, land and buildings of the council as are necessary for the discharge of their functions and in accordance with the law;
- (ii) not make public information which is confidential or exempt without the written consent of the council, Chief Executive or Monitoring Officer; or divulge information given in confidence to anyone other than a councillor or officer entitled to know it. Confidential and exempt information is defined in the Access to Information Rules at Part 6 of this Constitution.

**4.0 CONDUCT**

Councillors will at all times observe the Members' Code of Conduct and the Protocol on Member/Officer Relations set out in Part 8 of this Constitution.

**5.0 ALLOWANCES**

Councillors will be entitled to receive allowances in accordance with the Members Allowances Scheme set out in Part 9 of this Constitution.

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**ARTICLE 3 – RESIDENTS AND THE COUNCIL**

**1.0 RESIDENTS’ RIGHTS**

Residents have the following rights. Their rights to information and to participate are explained in more detail in the Access to Information Rules in Part 6 of this Constitution.

**(a) Voting and Petitions**

Those on the electoral register for the district have the right to vote in elections in their ward and sign a petition to request a referendum for a change from one form of governance to another. For a petition to be valid to require a referendum, the number of signatures must equate to no less than 5% of the electorate of the area. If there is a referendum, registered electors will have a right to vote in accordance with the timetable as prescribed under legislation, and to vote in any local referendum in respect of an increase in the local authority’s precept.

**(b) Other petitions**

Any Arun resident can submit a petition as long as it follows the requirements of the Petitions Scheme set out in Part 8 of this Constitution. A petition can, amongst other outcomes, lead to a council debate or the matter being considered by the relevant service committee.

**(c) Attendance & Information**

Residents have the right to:

- (i) attend, record and report on meetings of the council and its committees and sub-committees except where confidential or exempt information is likely to be disclosed and the meeting, or part of the meeting, is therefore held in private;
- (ii) see reports and background papers and any records of decisions made by the council and committees, excluding confidential and exempt information; and inspect the council’s accounts and make their views known to the external auditor.

**(d) Participation**

~~(i)~~ Residents are able to participate in Public Question Time in Full Council and service committee meetings.

~~(i)~~(ii) Residents are able to participate in other meetings of the council in accordance with the rules of that meeting

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**(e) Complaints**

Residents have the right to complain to the:

- (i) Council itself under its corporate complaints procedure;
- (ii) Local Government and Social Care Ombudsman after using the Council's own complaints procedure;
- (iii) Monitoring Officer about a breach of the Members' Code of Conduct by an Arun District Councillor; and
- (iv) Monitoring Officer about a breach of their respective Members' Code of Conduct of any town and parish councillor in the Arun district.

**2.0 RESIDENTS' RESPONSIBILITIES**

Residents must not be violent, abusive or threatening to councillors or officers in any form of contact, including through social media platforms, and must not wilfully cause damage to any property owned by the council, councillors or officers.

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**ARTICLE 4 – THE FULL COUNCIL**

**1.0 MEANINGS**

- **Policy Framework** – the policy framework means the following plans and strategies:
  - Crime and Disorder Reduction Strategy
  - Development Plan documents
  - Licensing Authority Policy Statement
  - Plans and alterations which together comprise the Development Plan (Local Plan)
  - Sustainable Community Strategy (Arun Priorities, Vision 2020 and Strategic Targets)
  - Corporate Plan
  - Leisure Strategy
  - Asset Management Plan
  - Capital Strategy
  - Commercial Strategy
  - Housing Revenue Account (HRA) Business Plan
  - Property Investment Strategy
  
- **Budget** – this includes:
  - the allocation of financial resources to different services and projects;
  - proposed contingency funds;
  - setting the Council Tax;
  - decisions relating to the control of the council's borrowing requirements, investments and capital expenditure; and
  - the setting of virement limits.

**2.0 FUNCTIONS OF THE FULL COUNCIL**

The functions of the Full Council are set out in Part 3 of this Constitution.

**3.0 COUNCIL MEETINGS**

There are ~~four~~ five types of Full Council meeting:

- (a) the annual meeting;
- (b) ordinary meetings;



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- (c) special meetings; ~~and~~
- (d) extraordinary meetings
- ~~— Council Tax meetings~~

They will be conducted in accordance with the Council Procedure Rules in Part 5 of this Constitution.

**4.0 RESPONSIBILITY FOR FUNCTIONS**

The council will maintain the details in Part 3 of this Constitution setting out the responsibilities for the council's functions.

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**ARTICLE 5 – CHAIRING THE COUNCIL**

**1.0 ROLE AND FUNCTION OF THE CHAIR**

The chair will be appointed by the Full Council annually as set out in Part 3 of this Constitution. The Chair of the Council and, in their absence the Vice-Chair of the Council, has the role of acting as the leading citizen in Arun; chairing council meetings; and representing the council at various functions of a civic nature which the council might host or at which it might be represented.

The chair shall remain in office until a new chair is appointed at the next Annual Council meeting unless they resign, become disqualified or are removed by a resolution of the council.

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**ARTICLE 6 – LEADER AND DEPUTY LEADER OF THE COUNCIL**

**1.0 LEADER**

The Leader will be appointed at the annual meeting of the council. The Leader will hold office from the date of their appointment to that position until they:-

- (a) resign from office; or
- (b) cease to be a councillor; or
- (c) are removed from office by resolution of the council

whichever first occurs.

As the council operates a committee system form of governance, the Leader has no formal powers or duties conferred to them under the Local Government Act 1972 or the Local Government Act 2000.

The Leader will act as chair of the Policy & Finance Committee and will have the following additional roles and responsibilities:

- Provide a focal point for political leadership and strategic direction for the council
- Represent the interests of the council
- Ensure effective decision making, including working with all political groups to seek to achieve, where possible, cross party co-operation
- Be the key political contact for outside organisations, including central government, local authority associations and council partners, and internally for the council's Corporate Management Team
- Be the representative of the council in its dealings with central government, other local authorities and positively promote the council within the media
- Promote the long term financial, business and economic stability of the council

**2.0 DEPUTY LEADER**

The Deputy Leader will be appointed at the annual meeting of the council. The Deputy Leader will hold office until they:-

- (a) resign from office; or
- (b) cease to be a councillor; or
- (c) are removed from office by resolution of the council.

whichever first occurs.

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The Deputy Leader will act as Vice-Chair of the Policy and Finance Committee and will assist the Leader of the Council generally in the conduct of the role and will assume the full role of the Leader in any circumstances in which the Leader is unable to act or is unavailable.

**3.0 CASUAL VACANCIES**

Any vacancy in the position of Leader or Deputy Leader shall be filled by the Full Council at the meeting that they cease to hold office or at the first subsequent meeting. The person(s) appointed shall be subject to the term of office described in the paragraphs above.

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**ARTICLE 7 – COMMITTEES**

**1.0 COMMITTEES**

The council will establish such committees and sub-committees as it requires for efficient and effective decision making and as required by law.

**2.0 ROLE AND FUNCTIONS**

Details of the committees and sub-committees established, and their roles and functions, are set out in Part 3 of this Constitution.

**3.0 PROCEEDINGS**

Committees and sub-committees will conduct their proceedings in accordance with the relevant Procedure Rules set out in Part 5 of this Constitution.

**4.0 MEMBERSHIP**

The size and membership arrangements for all committees and sub-committees established are set out in Part 3 of this Constitution. Their composition will be governed by proportionality rules.

**5.0 CHAIR AND VICE-CHAIR OF COMMITTEES**

The council shall appoint at each Annual Council meeting the chair and vice-chair of committees and sub-committees. The chair and vice-chair will remain in office until they:

- (a) resign from office; or
- (b) cease to be a councillor; or
- (c) are removed from office by resolution of the council.

whichever first occurs.

The role of the chair (and in their absence the vice-chair) is to:

- Assume the role of Lead Member relating to matters within their committee's remit
- Ensure effective conduct of meetings
- Maintain a good understanding of the nature of the business of the committee and key issues within its remit

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- Act as a council spokesperson as appropriate on matters within the committee's remit, including responding to questions at council meetings relating to the business and functions of the committee
- Maintain good communication with the vice-chair and committee members to ensure the co-ordination and efficient management of the committee's activity
- Represent the council in connection with matters within the committee's remit and positively promote the council within the media.

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**ARTICLE 8 – STANDARDS COMMITTEE**

**1.0 STANDARDS COMMITTEE**

The council will appoint a Standards Committee. Its composition shall be governed by proportionality rules and it shall be subject to the same requirements on confidential and exempt information as any other committee.

The composition and functions of the Standards Committee and its Panels are set out in Part 3 of this Constitution.

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**ARTICLE 9 – JOINT ARRANGEMENTS**

**1.0 Arrangements to promote well-being**

The council may, subject to statutory restrictions:

- (a) enter into arrangements or agreements with any person or body;
- (b) co-operate with, or facilitate or co-ordinate the activities of, any person or body;
- (c) exercise on behalf of that person or body any functions of that person or body;
- (d) create partnerships and partnership bodies.

**2.0 Joint Arrangements**

- (a) In accordance with Section 101 of the Local Government Act 1972, as amended, the council may enter into joint arrangements with one or more local authorities to advise the council on, or exercise council functions.
- (b) Details of any joint arrangements including delegations to joint committees are detailed in Part 3 of this Constitution.

**3.0 Access to Information**

- (a) The Access to Information Procedure Rules set out in Part 6 of this Constitution apply to functions in a joint arrangement except in so far as the arrangement itself has made provision.

**4.0 Delegation to and from other local authorities**

- (a) The council may arrange for the discharge of its functions to another local authority; and
- (b) The decision whether or not to accept a delegation from another local authority shall be reserved to the [Full eCouncil](#) meeting.

**5.0 Contracting out**

- (a) The council may contract out to another body or organisation any functions which may be exercised by an officer. Such functions may be contracted out where they are subject to an order under Section 70 of the Deregulation and Contracting Out Act 1994, or under contracting arrangements where the contractor acts as the council's agent under usual contracting principles, provided there is no delegation of the council's discretionary decision making.



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**ARTICLE 10 – AREA COMMITTEES**

~~The Council may, subject to any statutory restrictions, establish Area Committees.~~

NOT USED

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**ARTICLE 11 – OFFICERS**

**1.0 TERMINOLOGY**

In this Article, use of the word “officers” means all employees and staff engaged by the council to carry out its functions and includes those engaged under short-term, agency or other non-employed situations.

**2.0 MANAGEMENT STRUCTURE**

- (a) **General** – without prejudice to Sections 111, 112 and 113 of the Local Government Act 1972, the council may engage such staff (referred to as officers) as it considers necessary to carry out its functions.
- (b) **Chief Executive and Directors** – the council appoints persons for the following posts who will together form the Corporate Management Team:

<b>Post</b>	<b>Responsibilities</b>
Chief Executive	<ul style="list-style-type: none"> <li>• Overall corporate management and strategic responsibility (including overall management responsibility for all officers)</li> <li>• Represents the council on partnership and external bodies (as required by statute or the council)</li> <li>• Provides direction for the Corporate Support Directorate as set out in Part 7 of this Constitution</li> <li>• Acts as Returning Officer and Electoral Registration Officer</li> </ul>
Director of Place	<ul style="list-style-type: none"> <li>• Provides direction for the Place Directorate as set out in Part 7 of this Constitution</li> </ul>
Director of Services	<ul style="list-style-type: none"> <li>• Provides direction for the Services Directorate as set out in Part 7 of this Constitution</li> </ul>

- (c) **Head of Paid Service, Monitoring Officer and Chief Financial Officer** - the council has, for the time being, designated the following posts with the functions described below:

<b>Post</b>	<b>Designation</b>
Chief Executive	Head of Paid Service

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Group Head of Law & Governance	Monitoring Officer
Group Head of Corporate Support	Chief Financial Officer and Section 151 Officer

- (d) **Structure** – the Head of Paid Service will determine and publicise a description of the overall directorate structure of the council showing the management structure and deployment of officers. This is set out in Part 7 of this Constitution.

**3.0 FUNCTIONS OF THE HEAD OF PAID SERVICE**

- (a) **Discharge of functions by the council** – the Head of Paid Service will report to the Full Council on the manner in which the discharge of the council’s functions is co-ordinated, the number and grade of officers required for the discharge of functions, and the organisation of officers.
- (b) **Restrictions on functions** – the Head of Paid Service may not be the Chief Financial Officer or Monitoring Officer.

**4.0 FUNCTIONS OF THE MONITORING OFFICER**

- (a) **Maintaining the Constitution** – the Monitoring Officer will maintain an up-to-date version of the Constitution and will ensure that it is widely available for consultation by councillors, officers and the public.
- (b) **Ensuring lawfulness and fairness of decision making** – after consulting with the Head of Paid Service and Chief Financial Officer, the Monitoring Officer will report to the council if they consider that any proposal, decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

(c) Contributing to the Corporate Management Team – the Monitoring Officer will contribute to the corporate management of the council.

(e)(d) Supporting the Standards Committee – the Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct through provision of support to the Standards Committee.

(d)(e) Conducting investigations – the Monitoring Officer will consider allegations of misconduct by councillors in accordance with the council’s adopted Local Assessment Procedure.

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~~(e)~~(f) **Advising whether decisions are within the Budget and Policy Framework** – the Monitoring Officer and/or the Chief Financial Officer will advise whether decisions are in accordance with the Budget and Policy Framework.

~~(f)~~(g) **Providing advice** – the Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, impropriety, probity, and Budget and Policy Framework issues to all councillors; and will support and advise councillors and officers in their respective roles.

~~(g)~~(h) **Restrictions on posts** – the Monitoring Officer may not be the Chief Financial Officer or the Head of Paid Service.

**5.0 FUNCTIONS OF THE CHIEF FINANCIAL OFFICER**

(a) **Ensuring lawfulness and fairness of decision making** – after consulting with the Head of Paid Service and the Monitoring Officer, the Chief Financial Officer, will report to the council and to the council’s external auditor if they consider that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency, or if the council is about to enter an item of account unlawfully.

(b) **Administration of Financial Affairs** – the Chief Financial Officer will have responsibility for the administration of the financial affairs of the council.

(c) **Contributing to the Corporate Management Team** – the Chief Financial Officer will contribute to the corporate management of the council, in particular through the provision of professional financial advice.

(d) **Providing advice** – the Chief Financial Officer will provide advice on the scope of powers and authority to take financial decisions, financial maladministration, financial impropriety, probity, and Budget and Policy Framework issues to all councillors; and will support and advise councillors and officers in their respective roles.

(e) **Give financial information** – the Chief Financial Officer will provide financial information to the media, members of the public and the community.

(f) **Restrictions on posts** – the Chief Financial Officer may not be the Monitoring Officer or the Head of Paid Service.

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**6.0 DUTY TO PROVIDE SUFFICIENT RESOURCES TO THE HEAD OF PAID SERVICE, MONITORING OFFICER AND CHIEF FINANCIAL OFFICER**

The council will provide the Head of Paid Service, Monitoring Officer and Chief Financial Officer with such officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

**7.0 CONDUCT**

Officers will comply with the Protocol on Member/Officer Relations set out in Part 8 of this Constitution.

**8.0 EMPLOYMENT**

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 6 of this Constitution.

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**ARTICLE 12 – DECISION MAKING**

**1.0 RESPONSIBILITY FOR DECISION MAKING**

The council will issue and keep up to date a record of what part of the council or which officer has responsibility for particular types of decisions or decisions relating to particular areas or functions. The record is set out in Parts 3 and 4 of this Constitution.

**2.0 PRINCIPLES OF DECISION MAKING**

All decisions of the council will be made in accordance with the following principles:

- (a) proportionality (i.e., the action must be proportionate to the desired outcome);
- (b) due consultation and the taking of professional advice from officers;
- (c) respect for human rights and equality of opportunity;
- (d) a presumption in favour of openness;
- (e) clarity of aims and desired outcomes; and
- (f) the rule of law.

**3.0 TYPES OF DECISION**

- (a) **Decisions Reserved to Full Council** – decisions relating to the functions of the council as set out in Part 3 of this Constitution will be made by the Full Council and will not be delegated.
- (b) **Decisions made by Committees appointed by the Full Council** – authority to make such decisions is delegated by the council as set out in Part 3 of this Constitution, in accordance with Section 101 of the Local Government Act 1972, as amended.
- (c) **Decisions made by Sub-Committees appointed either by the Full Council or a Committee** – authority to make such decisions is set out in Part 3 of this Constitution.
- (d) **Decisions made by officers** – authority to make such decisions is set out in Part 4 of this Constitution.

**4.0 DECISION MAKING BY THE FULL COUNCIL**

Subject to the general principles contained in this Article, the Full Council meeting will follow the Council Procedure Rules set out in Part 5 of this Constitution when considering any matter.

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**5.0 DECISION MAKING BY COMMITTEES ESTABLISHED BY THE COUNCIL**

Subject to the general principles contained in this Article, council committees will follow the Committee Procedure Rules set out in Part 5 of this Constitution as they apply to them.

**6.0 DECISION MAKING BY COUNCIL BODIES ACTING AS TRIBUNALS**

The council, a committee or an officer acting as a tribunal; in a quasi-judicial manner; or determining or considering the civil rights and obligations, or the criminal responsibility of any person will follow a proper procedure which accords with the requirements of natural justice and the right to a fair trial contained in Article 6 of the European Convention on Human Rights.

**7.0 ACCESS TO INFORMATION**

The Access to Information Procedure Rules set out in Part 6 of this Constitution will apply to decisions taken under this Article.

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**ARTICLE 13 – FINANCE, CONTRACTS AND LEGAL MATTERS**

**1.0 FINANCIAL MANAGEMENT**

The management of the council's financial affairs will be conducted in accordance with the Financial Procedure Rules set out in Part 6 of this Constitution.

**2.0 CONTRACTS**

Every contract made by the council will comply with the Purchasing, Procurement, Contracts and Disposals Rules set out in Part 6 of this Constitution.

**3.0 LEGAL PROCEEDINGS**

The Group Head of Law & Governance or their nominated representative is authorised to institute, defend or participate in any legal proceedings in any case where such action is necessary to give effect to decisions of the council or in any case where they consider that such action is necessary to protect the council's interests and in particular, to ensure that all procedural and evidential requirements are carried out in connection therewith.

**4.0 COMMON SEAL OF THE COUNCIL**

The Common Seal of the Council shall be kept in a safe place in the custody of the Group Head of Law & Governance or their nominated representative.

The seal shall not be affixed to any document unless the sealing has been authorised by a resolution of the Full Council or committee or sub-committee to which the Full Council have delegated their powers in this behalf; or by a decision of an officer ~~to which the Full Council, a committee or a sub-committee have delegated their powers~~ with delegated powers.

The Group Head of Law & Governance or their nominated representatives shall attest every document which is being sealed and any entry of the sealing of every document to which the Common Seal has been attached shall be made and consecutively numbered in a record provided for that purpose and each entry duly attested. The record shall be open for inspection by every member of the Council.

**5.0 AUTHENTICATION OF DOCUMENTS FOR LEGAL PROCEEDINGS**

Where any document will be a necessary step in legal proceedings on behalf of the council, it shall be signed by the Group Head of Law & Governance or their nominated representative unless any enactment



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otherwise requires or authorises, or the Full Council gives the necessary authority to some other person for the purpose of such proceedings.

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**ARTICLE 14 – REVIEW AND REVISION OF THE CONSTITUTION**

**1.0 DUTY TO MONITOR AND REVIEW THE CONSTITUTION**

The Constitution Working Party will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect. Subject to paragraph 2.0 below amendments to the Constitution will only be made on the recommendation of the Constitution Working Party

**2.0 CHANGES TO THE CONSTITUTION**

The Full Council has delegated authority to:

- ~~(i) the Planning Committee to approve changes to the Scheme of Delegation for development control services which are the responsibility of the Director of Place and Group Head of Planning;~~
- ~~(ii) the Licensing Committee to approve changes to the Scheme of Delegation for environmental and licensing services which are the responsibility of the Director of Place and Group Head of Technical Services;~~
- ~~(iii)(i)~~ the Monitoring Officer to make consequential changes as a result of the modification or re-enactment of legislation or express changes consequential to an agreed decision of Full Council; and
- ~~(iv)(ii)~~ the Chief Executive Monitoring Officer, in written consultation with the chair of the Constitution Working Party at least 3 working days before the Council meeting, to agree that for any other reason the proposed change be put direct to Full Council for consideration and decision.

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**ARTICLE 15 – SUSPENSION, INTERPRETATION AND PUBLICATION**  
**OF THE CONSTITUTION**

**1.0 SUSPENSION OF THE CONSTITUTION**

- (a) **Limit to Suspension** – the Articles of this Constitution may not be suspended. The rules specified below may be suspended by the council to the extent permitted within those Rules and the law.
- (b) **Procedure to Suspend** – a motion to suspend any Rules will not be moved without notice unless at least half of the total number of councillors are present. The extent and duration of suspension will be proportionate to the result to be achieved, taking account of the purposes of the Constitution set out in Article 1.
- (c) **Rules capable of Suspension** – the Council Procedure Rules may be suspended in accordance with this Article.

**2.0 INTERPRETATION**

The ruling of the chair of the council as to the interpretation or application of this Constitution, or as to any proceedings of the Full Council, ~~should~~ shall not be challenged at any meeting of the Full Council. Such interpretation will have regard to the purposes of this Constitution set out in Article 1.

**3.0 PUBLICATION**

Copies of this Constitution will be available:

- to each member of the council electronically on their election, with any revisions provided at the earliest opportunity;
- for inspection at council offices;
- to view online at <http://www.arun.gov.uk/constitution>
- for purchase by members of the local press and the public on payment of a reasonable fee; and
- to Town and Parish Councils electronically at their request.

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**CONSTITUTION 2021  
PART 4 – OFFICER SCHEME OF DELEGATION  
SECTION 1 – GENERAL PRINCIPLES**

**PART 4 - OFFICER SCHEME OF DELEGATION  
(SECTION 1 – GENERAL PRINCIPLES)**

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**PART 4 – OFFICER SCHEME OF DELEGATION**  
**SECTION 1 – GENERAL PRINCIPLES**

**Part 4 is set out in four sections as follows:**

Section 1: General Principles and Delegation to Chief Executive

~~Section 2: Chief Executive and Directors~~

~~Section 3: Group Heads~~

~~Section 4: Functions~~

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**PART 4 – OFFICER SCHEME OF DELEGATION**  
**SECTION 1 – GENERAL PRINCIPLES**

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**PART 4 – OFFICER SCHEME OF DELEGATION**  
**SECTION 1 – GENERAL PRINCIPLES**

**1.0 GENERAL PRINCIPLES**

- 1.1 All functions that are not specifically reserved by law or under this Constitution to the Full Council, a regulatory committee, sub-committee or service committee or officers, are delegated to the ~~relevant Service Committee~~ Chief Executive in accordance with annexe 1.
- 1.2 ~~Subject to the above, the~~ ~~The council's functions delegated to officers are set out in Sections 2 and 3 of this Part of the Constitution.~~
- 1.3 This scheme is made by the council under section 101(1)(a) of the Local Government Act 1972
- 1.4 The scheme is made in accordance with section 151 of the Local Government Act 1972, and all other provisions relating to functions held by the council; and shall be construed in accordance with any legislation amending, or substituted for, any of those provisions, or any legislation having a similar purpose or made for similar purposes.
- 1.5 This scheme does not delegate to officers:
- any matter reserved to the Full Council,
  - any matter which by law may not be delegated to an officer,
  - any matter expressly reserved to a committee or sub-committee by this Constitution,
  - any power to change concession policies,
  - any power to make a decision on permanent savings in a budget,
  - any power to make an order for the compulsory acquisition of land,
  - any power to acquire land in advance of requirements,
  - any power to confirm any order, or to issue or grant any permission, consent, licence or other determination, which is the subject of a statutory right of objection that has been duly exercised.
- 1.6 In respect of any matter falling within the parameters of this scheme, the Chief Executive may in writing make such ~~detailed delegations to Directors concerning functions and activities~~ arrangements with Directors for the discharge of functions within their areas of responsibility as ~~they~~ the Chief Executive considers appropriate.
- 1.7 This scheme delegates powers and duties within broad functional descriptions. It includes powers and duties under all legislation, by laws present and future, and common law provisions, within those descriptions, and all powers and duties incidental to that legislation including the institution and conduct of proceedings. The powers and duties shall be exercised in accordance with the Constitution and the policies and objectives of the council relevant to the matter upon which action is to be taken.



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- 1.8 This scheme includes an obligation on officers to keep members of the council properly informed of activity arising within the scope of these delegations.
- 1.9 These general principles and any amendment of or addition to them made by the council shall apply to the delegation of functions in the Constitution.

**2.0 GENERAL LIMITATIONS**

- 2.1 An officer, in exercising delegated powers, shall consult other appropriate officers and shall have regard to any advice received.
- 2.2 Any exercise of delegated powers shall be subject to any Policy Framework approved by the council, including the authority's employment policies and disciplinary procedures, equality policies, and any service delivery policies; and shall be guided by relevant Codes of Conduct or Protocols produced or adopted by the council (including any code or protocol which has been included within the council's Constitution) and the Corporate Plan.
- 2.3 Any exercise of delegated powers shall be subject to:
- any statutory restrictions
  - the council's Procedure Rules relating to Purchasing, Procurement, Contracts and Disposals
  - the council's Financial Procedure Rules
  - Article 13 of the Constitution (Finance, Contracts and Legal Matters)
  - the provisions generally of this Part of the Constitution
- 2.4 In exercising delegated powers, officers shall not go beyond the provision made in the revenue or capital budgets for their service, except to the extent permitted by the council's Financial Procedure Rules or the Procedure Rules relating to Purchasing, Procurement, Contracts and Disposals set out in Part 6 of this Constitution.
- 2.5 Any matters relating to the making and/or alteration of council policy shall be referred to the Full Council or the relevant Service Committee.
- 2.6 The delegation of authority to deal with any matter shall not override the power of the council to call for a report on any decision or action taken or to require any such matter under consideration to be referred to the council or to the appropriate committee or sub-committee for decision.
- 2.7 The Chief Executive, a Director or Group Head may, after consultation with any officer concerned, refer to the council, the appropriate committee or sub-committee for decision any matter which has been brought to their notice and which in their opinion, because of special difficulty or otherwise, warrants such reference.
- 2.8 It shall always be open to an officer to whom authority is delegated to consult the appropriate chair of a committee on the exercise of a delegated function, or not to exercise a delegated function but to refer the matter back to the Full Council, the relevant committee or sub-committee for decision.

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- 2.9 Where a delegation requires the agreement of, or consultation with a committee chair, such delegation shall allow for the substitution of the vice-chair or in their absence, another member of the committee.
- 2.10 An officer to whom authority is delegated shall have power to undertake all work to give full effect to any decision of the Council, its Committees and Sub-Committees.

### **3.0 DELEGATIONS TO OFFICERS**

~~3.1 The functions or activities listed in Sections 2 and 3 of this Part of the Constitution and varied from time to time are delegated to the officers in the posts named in Sections 2 and 3.~~

**3.23.1 Limitations of delegations** - The powers delegated to officers under this scheme do not include any power to take a decision which is properly a matter for the council, or a committee or sub-committee. Officers are, in the context of this scheme, responsible for the management of their services, the provision of advice to the council and members, and the implementation of council policies and decisions. A decision which an officer takes, under a delegation made by or under this scheme, must:

- implement a policy previously approved or decision previously taken by the council, or a committee or sub-committee; or
- facilitate, or be conducive or incidental to, the implementation of a policy or decision previously approved;
- be recorded in accordance with paragraphs 5.1 and 5.2 below

### **4.0 FURTHER PROVISIONS**

- 4.1 **Continuation of existing delegations** - A delegation to an officer which existed at the date of the introduction of this scheme shall, to any extent that it remains unaltered by (and is not inconsistent with) any delegation (or variation to a delegation) made by or under this scheme, shall continue to have effect.
- 4.2 **Deemed delegations** - Where in respect of a given function or activity, no delegation is in effect, and an officer has a management responsibility in relation to the exercise of that function or activity, the exercise of any delegated authority necessary to carry out the function or activity effectively shall be deemed to have been delegated to that post holder.
- 4.3 In this scheme, “officer” means the holder of any post to which a function or activity, or powers and duties in relation to such a function or activity, may be delegated.
- 4.4 Where a function or activity has been specifically delegated by or under this scheme to an officer, and where the officer to whom the delegation was made is absent or otherwise unavailable, that function or activity shall not be exercised by another officer without the consent of the Chief Executive.

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4.5 An authority delegated to officers includes management of the human and material resources made available for the service area and any function concerned, within the limitations of this scheme, and subject to any specific delegations made by or in accordance with this scheme to another officer.

4.6 In each case, a delegated authority excludes any determination of policy, any exception to policy, or of any budget by the officer concerned.

**5.0 RECORDS OF DECISIONS MADE BY OFFICERS WITH DELEGATED RESPONSIBILITIES**

5.1 It is the responsibility of every officer exercising a delegated responsibility to maintain a paper or electronic record of all decisions made and actions decided upon for a period of six years or such other period as required by statute or regulation in a manner that meets the overall responsibility of the council arising from that decision, including the needs of officers from all services who will action the decision as well as the officers who are responsible for the governance of the council.

5.2 Where a decision delegated to an officer would otherwise have been taken by the Full Council, a committee, sub-committee or joint committee either:

- a) under a specific express authorisation; or
- b) under a general authorisation to officers to take such decisions and, the effect of the decision is to -
  - grant a permission or licence;
  - affect the rights of an individual; or
  - award a contract or incur expenditure which, in either case, materially affects the Council's financial position

the decision-making officer must produce and retain for a period of six years a written record of the decision as soon as practicable containing the following information:

- i. the date the decision was taken;
- ii. a record of the decision and the reasons for the decision;
- iii. details of alternative options, if any, considered and rejected; and
- iv. where the decision falls under paragraph 5.2 a) above, the names of any member of the council who has declared a conflict of interest in relation to the decision

**6.0 WRITTEN RECORD OF THE DECISION**

6.1 For decision made under Paragraph 5.2 above, the written record must, as soon as reasonably practicable after the decision is made, be available:

- a) for inspection at council offices during normal working hours; and

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**SECTION 1 – GENERAL PRINCIPLES**

b) to view online

**7.0 PROPER OFFICERS**

7.1 The Local Government Act 1972 introduced a requirement that the officer required to perform specified duties should be the "Proper Officer" appointed by the council for that purpose. The council has designated the under-mentioned officers in the following table as the 'Proper Officers' for the sections and schedules indicated.

<b>Legislation Title (in alphabetical order)</b>	<b>Purpose</b>	<b>Proper Officer</b>
<b>Local Authorities (Referendums) (Petitions) (England) Regulations 2011</b>	Petitions and Referendums	Chief Executive
<b>Local Government Act 1972:</b> •Schedule12 - para 4(2)(b)	Signing of Council summons to attend a meeting	
•Schedule14 para 25(7)	Certification of resolutions passed by the Council	Chief Executive
•S. 13(3)	Parish Trustee (In a parish not having a separate parish council)	
•S. 83(1)	Declarations of acceptance of office	
•S. 84	Resignation of a Member from office	

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<b>Legislation Title (in alphabetical order)</b>	<b>Purpose</b>	<b>Proper Officer</b>
•S. 88(2)	Convening of Council meeting for filling Chair casual vacancy	Chief Executive
•S. 89(1)(b)	Notice of casual councillor vacancy	
•S. 100A – 100K	Access to Information	
•S. 115(2)	Payment of money due	Group Head of Corporate Support
•S. 146(1)(a)	Securities – statutory declaration	
•S. 146(1)(b)	Securities – certificate	
•S. 151	Financial administration	
•S. 191	Ordnance Survey applications	Director of Place
•S.s 210(6) and (7)	Charities	Group Head of Corporate Support
•S. 225(1)	Deposit of documents	<del>Chief Executive</del> <u>Monitoring Officer</u>
•S. 229(5)	Certification of photocopies (other than accounts)	Monitoring Officer
•S.s 234(1) and (2)	Authentication of documents	<del>Chief Executive</del> <u>Monitoring Officer</u>
•S.s 236(9)	Distribution of Byelaws	Group Head of Corporate Support
•S. 238	Provide certified copies of Byelaws	
<b>Local Government Finance Act 1988 – S.114</b>	Proper administration of financial affairs	Section 151 Officer
<b>Local Government (Miscellaneous Provisions) Act 1976 – S.41</b>	Evidence of resolutions and minutes of proceedings	Group Head of <del>Corporate Support</del> <u>Law &amp; Governance</u>
<b>Local Government Act 2000 – S.s 49 to 81 (insofar as the same are still in force)</b>	Conduct of Members	Monitoring Officer
<b>Local Government &amp; Housing Act 1989 – •S. 4</b>	Head of the Paid Service	Chief Executive

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<b>Legislation Title (in alphabetical order)</b>	<b>Purpose</b>	<b>Proper Officer</b>
.S. 5	Monitoring Officer	Group Head of Law & Governance
<b>Public Health (Control of Disease) 1984</b> .S. 1	Duty to execute this Act	The Council has appointed Public Health England to act as Proper Officer when dealing with these powers
.S. 61	Power to enter premises	
<b>Neighbourhood Planning (Referendums) Regulations 2012</b>	Counting Officer	<del>Chief Executive</del> <u>Director of Place</u>
<b>Representation of the People Act 1983:</b> .S.8	Registration of Parliamentary and Local Government Electors – Electoral Registration Officer	Chief Executive
.S.28	Conduct of Parliamentary Elections – Discharge of Returning Officer’s Functions	Chief Executive
.S.35	Returning Officer	Chief Executive
<b>Electoral Administration Act 2006</b>	Updated local government election rules	Chief Executive
<b>Police Reform and Social Responsibility Act 2011</b>	Police and Crime Commissioner Elections	Chief Executive
<b>Planning (Listed Buildings and Conservation Areas) Act 1990 – S.2</b>	Deposit of lists of buildings of special architectural or historic interest	Director of Place

7.2 In any enactment passed before or during the 1971/72 session of Parliament other than the Local Government Act, 1972 or in any instrument made before 26th October 1972, a reference to a specified officer of the council shall be deemed to be a reference to the relevant Director in which the function of the specified officer is now vested, or in appropriate cases to Public Health England.

7.3 Where written evidence of any such appointment as aforesaid is required, the Chief Executive or their nominated deputy shall issue it.

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7.4 Officers responsible for the Governance of the council are:

- Finance – Group Head of Corporate Support
- Internal Audit – ~~Internal Audit Manager~~ Group Head of Corporate Support
- Committee Services and Information Management – Group Head of Law & Governance

**ANNEXE 1 – GENERAL DELEGATION TO THE CHIEF EXECUTIVE**

**CHIEF EXECUTIVE**

- 1.1 With the exception of Proper Officer powers and those powers delegated to:
- a) the Group Head of Law & Governance when acting as Monitoring Officer; and
  - b) the Group Head of Corporate Support when acting as Section 151 Officer
  - c) Chief Executive when acting as Head of Paid Service
- the Chief Executive has the power to take all lawful action consistent with overall council policy to deliver agreed strategy, plans and policy, and to comply with and undertake all statutory obligations, duties, functions and powers and within approved budget.
- 1.2 Further to the above provisions, the Chief Executive may allocate, authorise or delegate responsibility for exercising particular powers to any officer of the Council as the Chief Executive thinks fit.. All such delegations (as opposed to authorisations) are to be recorded in writing and retained for the duration of the delegation (as opposed to authorisation) which shall not exceed a specified period exceeding six months and shall set out the description of the powers to be exercised by the officer of the council and state the post held by the officer, in accordance with the Local Government Act 2000 (Constitutions) (England) Direction 2000.
- 1.3 For the purposes of the above provisions, the statutory obligations, duties, etc. referred to shall include, but not exhaustively, those contained within the legislation set out in a matrix of statutes held by the delegating officer in respect of their service area, a copy of which shall be provided to the Monitoring Officer together with all amendments.
- 1.4 The Monitoring Officer will maintain a central record of all delegations received from the delegating officers as are established under Paragraph 1.2 of this Part of the Constitution and will make them available for public inspection pursuant to section 100G of the Local Government Act 1972.

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**PART 4 – OFFICER SCHEME OF DELEGATION**  
**SECTION 1 – GENERAL PRINCIPLES**

- 1.5 For the avoidance of doubt the Chief Executive is not authorised to grant a councillor permission not to attend meetings of the council for the purposes of section 85 of the Local Government Act 1972.



**PART 6 – PROCEDURE RULES (OTHER)  
(SECTION 6 – STANDING ORDERS – PURCHASING,  
PROCUREMENT, CONTRACTS & DISPOSALS)**

**Part 6 is set out in eight sections as follows:**

**Section 1** Decision Notices

~~**Section 2** Scrutiny~~

**Section 3** Budget and Policy Framework

**Section 4** Access to Information

**Section 5** Financial Rules

**Section 6** Standing Orders – Purchasing,  
Procurement, Contracts and Disposals

**Section 7** Officer Employment

**Section 8** Corporate Complaints

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**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

Procurement decisions and processes are very important because the money involved is public money and the Council needs to ensure the provision of high quality services, supplies and works. Achieving Value for Money is essential.

The Council’s reputation is equally important and the processes used must safeguard against any implication of dishonesty or corruption.

All staff are to comply with these Contract Standing Orders.

This Section is divided into the following sub-sections:

- A Introduction
- B Procurement Requirements
- C The Procurement Process
- D The Contract and other formalities
- E Post-Contract Requirements

<b>Glossary of Defined Terms</b>	
<b>Award Criteria</b>	The criteria by which the successful Quotation or Tender is to be selected (see further Standing Order 16).
<b>Contracting Decision</b>	Any of the following decisions: <ul style="list-style-type: none"> <li>• withdrawal of Invitation to Tender</li> <li>• whom to invite to submit a Quotation or Tender</li> <li>• Shortlisting</li> <li>• award of contract</li> <li>• any decision to terminate a contract</li> </ul>
<b>Dynamic Purchasing System (DPS)</b>	A completely electronic system used by a contracting authority to purchase commonly used goods, works or services. Suppliers may join a DPS at any time during its period of validity and there can be no limit on the number of suppliers on the DPS at any one time.
<b>Employees Code of Conduct</b>	The Employees Code of Conduct – available from Human Resources
<b>EU Procedure</b>	<del>The procedure required to be followed by the EU as defined in Directive 2014/24/EU on public procurement when the Total Value exceeds the EU Threshold.</del>
<b>EU Threshold</b>	<del>The Total Value threshold above which the EU Public Procurement Directives must be applied. For details of the latest thresholds refer to the Procurement section on the Intranet.</del>

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

<b><u>Glossary of Defined Terms</u></b>	
<b>European Economic Area</b>	The members of the European Union and Norway, Iceland and Liechtenstein.
<b>Financial Regulations</b>	The Financial Procedure Rules at Part 6 Section 5 of the Constitution.
<b>Framework Agreement</b>	An agreement between one or more contracting authorities and one or more providers, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price. If more than one provider is party to the agreement the price may be subject to mini-competition between all the providers at time of 'call-off'. Specific rules apply to Framework Agreements where the Total Value may exceed <del>EU Thresholds</del> <u>the UK Threshold</u> .
<del>ICM decision</del>	<del>A decision taken by an Individual Cabinet Member</del>
<b>Invitation to Tender</b>	The process and documents in the form required by Standing Orders by which a candidate is invited to bid.
<b>Non-Commercial Considerations</b>	<ul style="list-style-type: none"> <li>a) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.</li> <li>b) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.</li> <li>c) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of the contractors in industrial disputes between other persons.</li> <li>d) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors.</li> <li>e) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.</li> <li>f) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support.</li> <li>g) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959.</li> </ul>
<b>Parent Company Guarantee</b>	A contract which binds the parent company of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the Council, they can require the parent company to do so instead.
<b>Performance Bond</b>	An insurance policy. If the contractor does not do what it has promised to do under a contract with the Council, the Council can claim from the insurers the sum of money specified in the Bond (often 10% of the contract value). A Performance Bond is intended to protect the Council against a level of cost arising from the contractor's failure.

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

<b>Glossary of Defined Terms</b>	
<b>Procurement</b>	<b><u>Provided by Hampshire County Council</u></b>
<b>Quotation</b>	All requests for Quotations must be obtained on a Most Economically Advantageous Tender (MEAT) basis whereby the 'whole life' costs are considered and purchases must not be made on a cost only basis – unless previously agreed in writing by the Council's Procurement Officer. You should consider specification details, availability of product/service, delivery aspects, after sales/warranty requirements and also include quality, environmental, social and health & safety aspects. These factors must be weighted in your award decision and given appropriate consideration. Quotation must be in writing.
<b>Relevant Contract</b>	Contracts to which these Standing Orders apply (see Standing Order 3).
<b>Responsible Officer</b>	The officer responsible for dealing with a particular purchase or disposal. The Responsible Officer must be an employee of the Council.
<b>Shortlist/ Shortlisting</b>	Where the candidates are selected to quote or bid, or to proceed to final evaluation.
<b>Tender</b>	A written proposal submitted in response to an Invitation to Tender.
<b>Total Value</b>	<ul style="list-style-type: none"> <li>• The whole of the value or estimated value (in money or equivalent value) for a single purchase or disposal</li> <li>• Whether or not it comprises several lots or stages</li> <li>• To be paid or received by the Council</li> </ul> <p>The Total Value shall be calculated as follows:</p> <ol style="list-style-type: none"> <li>a) Where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period.</li> <li>b) Where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions for the coming 12 months.</li> <li>c) Where the contract is for an uncertain duration, by multiplying the monthly payments by 48.</li> <li>d) For feasibility studies, the value of the scheme or contracts which may be awarded as a result.</li> <li>e) For nominated suppliers and sub-contractors, the Total Value shall be the value of that part of the main contract to be fulfilled by the nominated supplier or sub-contractor.</li> </ol>
<b><u>UK Threshold</u></b>	<b><u>The Total Value threshold above which the processes set out in the Public Contracts Regulations 2015 must be followed. For details of the latest thresholds refer to the Procurement section on the Intranet.</u></b>
<b>Value for Money</b>	The duty on local authorities to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the Council.

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

**A – INTRODUCTION**

1. PRINCIPLES

1.1 All purchasing, procurement, contract and disposal procedures must:

- achieve Value for Money for public money spent and highest return for disposals
- be consistent with the highest standards of integrity
- ensure fairness in allocating public contracts
- ensure fair and open competition, transparency of process and non-discrimination
- comply with all legal requirements (including ~~specifically the specific procurement legislation in force in England from time to time~~ ~~EU Procedures and UK Public Contracts Regulations~~)
- ensure that Non-commercial Considerations do not influence any Contracting Decision
- support the Council's corporate and departmental strategies, aims and policies
- comply with the Council's Value for Money policy and procurement strategy (refer to the Procurement section on the Intranet)

1.2 Before taking any steps to purchase or procure supplies, services or works, consideration should be given to the following issues:

- whether the acquisition is absolutely necessary or could be met sustainably by adopting the 3 R's principle – reduce, reuse, recycle
- the use of alternative providers such as the voluntary and charity sectors, social enterprises and internal service providers
- supporting local and/or small and medium sized enterprises (SME's)

1.3 Please seek advice from Procurement and Legal Services if you are unsure of how to proceed.

1.4 Increasing amounts of information are available on-line and specific note should be taken of [P](#)rocurement guidance on Arun's Internet and Intranet sites.



**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

2. OFFICER RESPONSIBILITIES

2.1 The Responsible Officer must:

- 2.1.1 Comply with these Contract Standing Orders, the Council's Financial Procedure Rules, the Employees Code of Conduct and with all UK and European Union binding legal requirements
- 2.1.2 Be authorised ~~by their Group Head~~ to procure and award a contract within specific authorisation levels
- 2.1.3 Keep the records required by Standing Order 27
- 2.1.4 Ensure that Tender procedures are conducted in accordance with procedures set out in any Invitation to Tender
- 2.1.5 Ensure that agents, consultants, and contractual partners acting on the Council's behalf also fully comply with these Contract Standing Orders
- 2.1.6 Take all necessary legal, financial and professional advice at the commencement of the process and thereafter to follow the advice received.
- 2.1.7 Comply in all respects with these Contract Standing Orders. They are minimum requirements. Procurement will advise if a more detailed procedure is appropriate for particular contracts
- 2.1.8 Ensure the safekeeping of all original contracts and related files

2.2 Directors ~~Group Heads~~ must:

- 2.2.1 Ensure that their staff understand and comply with Contract Standing Orders
- 2.2.2 Keep a record of all contracts
- 2.2.3 Ensure that sealed contracts (which includes those where the Total Value exceeds £50,000) are passed to Legal Services for secure storage.

3. RELEVANT CONTRACTS

3.1 All Relevant Contracts must comply with these Contract Standing Orders.

- 3.2 A Relevant Contract is any arrangement, including the setting up of Framework Agreements, irrespective of Total Value made by, or on behalf of, the Council for the carrying out of work or for supplies or services. These include (but are not limited to) arrangements for:
- the supply or disposal of goods
  - hire, rental or lease of goods or equipment
  - execution of works
  - the supply of services, including those related to the recruitment of staff and financial and consultancy services

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

- 3.3 Relevant Contracts do not include contracts relating to:
- the employment of staff
  - the engagement of Counsel
  - the engagement of a specific individual for the provision of consultancy services (this exclusion does not extend to the engagement of organisations to provide consultancy services or multiple individuals for the provision of the same consultancy services)
  - the acquisition, disposal or transfer of land (for which Financial Regulations shall apply).
  - the provision by Council in-house services
  - joint working agreements with other public bodies

**B – PROCUREMENT REQUIREMENTS**

4. COMPETITION REQUIREMENTS

4.1 The Responsible Officer must calculate the Total Value of the Relevant Contract.

4.2 Where the Total Value of the Relevant Contract is in the first column below, the competition procedure in the second column must be followed.

Estimated Contract Value	Contract	Number of Tenders to be invited
Below £1,000		Obtain a single written quote, where possible from a local contractor
£1,000 to £10,000		Ensure Value for Money by <u>obtaining-seeking inviting at least 2</u> written Quotes, one of which should be from a local contractor if possible
£10,001 to £50,000 (Contact Procurement)		<u>Ensure Value for Money by seeking-Inviting Invite</u> at least 3 contractors to submit written Quotations, one of which should be local, if possible <u>or use of an appropriate framework agreement or dynamic purchasing system.-</u>
£50,001 to Threshold (Contact Procurement)	<u>UKEU</u>	Formal Tender process following appropriate advertisement or use of an appropriate framework agreement or dynamic purchasing system.
Above <u>UKEU</u> Threshold (Contact Procurement)		Formal <u>EU Tender</u> Process <u>as set out in the Public Contracts Regulations 2015</u> or use of an appropriate framework agreement or dynamic purchasing system

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

- 4.3 If there are insufficient suitably qualified contractors to meet the competition requirement, all those suitably qualified are to be invited to submit a written Quotation.
- 4.4 Use of the Competitive Dialogue procedure, Innovation Partnership procedure or Competitive Procedure with Negotiation shall require the approval of the Group Head of Corporate Support.
- 4.5 The use of any Framework Agreement or Dynamic Purchasing System not set up by Arun District Council is subject to approval by the Group Head of Corporate Support that the proposed Framework Agreement or Dynamic Purchasing System is suitable for use by Arun District Council. Where any access agreement or similar is required to access a Framework Agreement or Dynamic Purchasing System such agreement shall be signed by the Group Head of Corporate Support.
- 4.6 A list of Framework Agreements and Dynamic Purchasing Systems approved for use by the Group Head of Corporate Support shall be maintained. Once a Framework Agreement or Dynamic Purchasing System is added to the list it may be used without further approval.
- 4.7 Framework Agreements will remain on the list and available for use for the remainder of their validity period. Dynamic Purchasing Systems shall remain on the list and available for use for 1 year from the date of approval.
- 4.8 The Responsible Officer must not enter into separate contracts nor select a method of calculating the Total Value in order to negate or minimise the application of these Contract Standing Orders or avoid compliance with ~~EU Procedure~~ procurement legislation or other statutory procedures.
- 4.9 Where the ~~EU Procedure~~ Public Contracts Regulations ~~are-is~~ applicable, the Responsible Officer shall consult the guidance on the ~~EU public procurement rules~~ Regulations (found in the Procurement section of the Intranet) and formally consult Procurement to agree the most appropriate procurement method.
- ~~4.10—Assets for disposal must be disposed of in accordance with the current Asset Disposal Policy sent to public auction except where better value for money is likely to be obtained by inviting Quotations or Tenders. In the latter event, the method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed in writing with the Group Head of Corporate Support.~~
- 4.114.10
- 4.124.11 Providing services to external purchasers must be in compliance with the Local Authorities (Goods and Services) Act 1970, Local Government Act 2003 or the Localism Act 2011

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

~~4.134.12~~ Partnership arrangements are subject to all English UK and EU procurement legislation and must follow these Contract Standing Orders.

**5. STEPS PRIOR TO PURCHASE**

5.1 Before beginning a purchase, the Responsible Officer must:

- i. advise Procurement except where the estimated Total Value of the contract is less than £10,000
- ii. ensure a budget exists. If no budget is in place a virement from the service area or a supplementary estimate request to Full Council will be required (see Part 6 Section 5 Regulation 3 of the Constitution) and will need to be approved prior to commencing the purchase.
- iii. ensure that a contractual arrangement is not already in place
- iv. ensure there is a need for the expenditure and its priority
- v. define the objectives of the purchase
- vi. assess the risks associated with the purchase and how to manage them
- vii. consult Procurement where the estimated Total Value is likely to be over £50,000 for advice on what procurement method is most likely to achieve the purchasing objectives
- viii. consult Legal Services in relation to the appropriate contractual terms
- ix. ensure that there is ~~Member or delegated~~ approval for all of the expenditure to be incurred before an order is placed or a contract is entered into

5.2 ~~An Individual Cabinet Member (ICM) Report or Cabinet~~ Committee approval may be required when tendering, or before placing an order or entering into a contract depending on the Total Value. The table below sets out the authority requirements.

Estimated Total Value	Key requirements to be fulfilled
Less than £10,000	<ul style="list-style-type: none"> <li>• No requirement for <del>Committee ICM</del> decision</li> <li>• There must be <del>a delegated</del> authority to enter into the contract</li> <li>• No requirement for consultation with Procurement</li> <li>• The Responsible Officer is to retain evidence of to show that Contract Standing Orders have been complied with</li> </ul>
£10,001- <u>UK</u> <u>Threshold</u> <del>£50,000</del>	<ul style="list-style-type: none"> <li>• No requirement for <del>Committee ICM</del> decision</li> <li>• There must be a <del>delegated</del> authority to enter into the contract</li> <li>• Procurement to be consulted in advance to determine the most suitable criteria for evaluation and award of contract</li> <li>• The Responsible Officer is to retain evidence of contact with Procurement</li> </ul>

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
**(CONTRACT STANDING ORDERS)**

Estimated Total Value	Key requirements to be fulfilled
	<ul style="list-style-type: none"> <li>• The Responsible Officer is to retain evidence to show that Contract Standing Orders have been complied with</li> <li>• Officer, <del>using their delegated powers</del>, to put a written record signed with the contract papers with their name, date &amp; details of what they are committing the Council to, including the date for the first and last payment. A copy of the form to be given to the Council's Procurement Officer.</li> </ul>
<p>£50,001- <del>UK</del> EU Threshold</p>	<ul style="list-style-type: none"> <li>• <del>No requirement for ICM decision in advance</del> <u>Committee approval of the budget to be obtained prior to the commencement of any procurement process.</u></li> <li>• <del>Procurement to be consulted prior to the commencement of any procurement activity to advise on tender documentation and determine the most suitable criteria for evaluation and award of contract</del></li> <li>• <del>Legal Services to be consulted prior to the commencement of any procurement activity in relation to contractual terms</del></li> <li>• <del>Procurement Pro-forma to be completed by officer &amp; signed off by the Council's Procurement Officer agreeing approach &amp; methodology to be used</del></li> <li>• <del>Procurement Pro-forma to be retained on contract file</del></li> <li>• <u>ICM decision at post tender/pre-award stage</u> <del>No Committee decision is required pre-award unless the proposed contract's value is in excess of the approved budget.</del></li> </ul>
<p>Above <del>UK</del> EU Threshold</p>	<ul style="list-style-type: none"> <li>• <del>No requirement for ICM in advance</del> <u>Where not already in existence Committee approval of the budget to be obtained prior to the commencement of any procurement process and at the same time committee approval to award the contract if bids/returns come within budget.</u></li> <li>• Procurement to be consulted prior to the commencement of any procurement activity to determine the method of procurement, advise on tender documentation, agree the procurement timetable and the most suitable criteria for evaluation and award of contract</li> <li>• Legal Services to be consulted prior to the commencement of any procurement activity in relation to contractual terms</li> <li>• Procurement Pro-forma to be completed by officer &amp; signed off by the Council's Procurement Officer agreeing approach &amp; methodology to be used</li> <li>• Procurement Pro-forma to be retained on contract file</li> <li>• <del>Cabinet approval at post tender/pre-award stage</del> <u>No Committee decision is required at the pre-award stage unless the proposed contract's value is in excess of the approved budget.</u></li> </ul>

**PART 6 – PROCEDURE RULES (OTHER)**  
**SECTION 6 – PURCHASING, PROCUREMENT, CONTRACTS & DISPOSALS**  
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6. WAIVERS AND EXEMPTIONS

6.1 The Council, ~~Cabinet Committees and Cabinet Members Directors (in consultation with the S.151 Officer and Legal Services)~~ has power to waive any requirement of Contract Standing Orders in specific instances.

6.2 It is not possible to waive Contract Standing Orders in their entirety.

6.3 There can be no waiver of the ~~EU Procedure procedures set out in the Public Contracts Regulations 2015.~~

6.4 All applications for waivers of these Contract Standing Orders must be in writing ~~on the Council's waiver in prescribed~~ form and state:

- i. the reason why a waiver is needed (see 6.8 below) and
- ii. the specific requirement of Contract Standing Orders that is to be waived including the paragraph number
- iii. the risks that will be incurred if the waiver is permitted
- ~~iii.~~ iv. contain comments by Legal Officers and Finance Officers

6.5 The waiver form is found in the Procurement section of the Intranet.

6.6 Waivers must be ~~authorised by the Group Head of Corporate Support or their Deputy in their absence, or the Chief Executive prior to continuing with the purchase or award of contract:~~

- ~~authorised signed by the relevant Committee and signed by the Group Head, the Council's Procurement Officer, the relevant Cabinet Member and one of the following:~~

- ~~the Group Head of Corporate Support, or~~
- ~~Financial Services Manager, or Internal Audit Manager~~

OR

- ~~Signed by the relevant Director, the Group Head, the Council's Procurement Officer, the S.151 Officer and Legal Services;~~
- ~~prior to continuing with the purchase or award of the contract:-.~~

6.7 The Responsible Officer is required to send a copy of the signed waiver to Procurement and for the original to be placed with the contract

6.8 The following are examples of when a waiver might be appropriate. Where the works, supplies or services to be provided:

- are exclusively manufactured or provided by the supplier and the Responsible Officer is able to demonstrate this, or the supplies or services are sold only at a fixed price and no satisfactory alternative is available,
- must be entrusted to the appropriate utility undertaking,

**PART 6 – PROCEDURE RULES (OTHER)**  
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- constitute an extension of an existing contract, where such extension is unauthorised,
- are required so urgently as not to permit the invitation of Tenders,
- consist of repairs to or the supply of parts for existing machinery or plant that can only be carried out by the supplier or manufacturer of that machinery, or under licence for a fixed price,
- are to be part of a Tender invited on behalf of any consortium or similar body of which the Council is a member, or
- are to be procured on behalf of the Council by another Contracting Authority under that Contracting Authority's Standing Orders; or
- are of a type where it is necessary to contract on the supplier's terms and conditions and these have been checked by Legal Services; or
- for other reasons Procurement and Group Head of Corporate Support are satisfied that the seeking of written Quotations or Tenders would not achieve genuine competition.

6.9 These Standing Orders do not apply where Standing Orders relating to contracts of another Local Authority or Public Funded Body (e.g. NHS or Police), Government Department or Agency (e.g. OGC Buying Solutions, Constructionline), or public service purchasing consortium are adopted by the Lead Agency for the exercise.

6.10 These Contract Standing Orders do not apply to calling off from a current Arun District Council Framework Agreement. However, where the Arun District Council Framework Agreement provides for mini competitions to be held, a waiver is to be obtained for any deviation from the terms of that Framework Agreement.

*Modifications to Existing Contracts*

6.11 Save for as set out below at paragraph 6.12 below, any variation or modification to an existing contract, including to extend the contract period beyond the original term and any extensions originally specified, shall require a waiver of Standing Orders.

6.12 A modification or variation to an existing contract does not require a waiver in the following circumstances, providing always that the modification or variation does not materially alter the nature or scope of the contract nor render it materially different to the original:

6.12.1 Where the modification or variation is expressly provided for within the existing contract.

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6.12.2 Where additional works, services or supplies are required and it would not be practical for any supplier other than the existing supplier to supply these, and the value of the additional works, services or supplies is not more than 10% of the original contract value.

6.12.3 Where a contract is to be novated to a new supplier as a result of corporate restructure including takeover, merger, acquisition or insolvency of the original supplier.

6.12.4 To correct a genuine drafting error within the first 3 months of the contract term (any error correction beyond 3 months will require a waiver).

6.13 In all cases advice must be sought from Procurement and Legal Services prior to any modification or variation being implemented.

**C – THE PROCUREMENT PROCESS**

7. SUMMARY OF REQUIREMENTS AS TO ADVERTISING, USE OF PROCEDURES, AWARD NOTICES

7.1. The Council must advertise contract opportunities and publish details of contracts awarded in accordance with legislative requirements **currently** in force at the time.

7.2. Responsible Officers are advised to consult with Procurement to determine the appropriate advertising requirements for each procurement.

**Procurements at or above the ~~UK~~ ~~EU~~ Thresholds**

8. REQUIREMENT TO ADVERTISE

8.1. The Responsible Officer must take advice from Procurement before advertising any opportunities which exceed the ~~UK~~ ~~EU~~ thresholds.

8.2. All procurement documentation must be available from the time the opportunity is advertised in accordance with current legislative requirements. Therefore, no advertisement should be placed until the procurement documentation is complete. The Responsible Officer must ensure the Contract Notice includes a specified location where interested parties can electronically access all procurement documentation.



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8.3. The Responsible Officer is responsible for ensuring all Contract Notices and publications are published in accordance with these rules.

9. PROCUREMENT PROCEDURES

9.1 For public contracts equal to or greater than the ~~UK~~ ~~EU~~ threshold, the Council shall:

- a. advertise the contract and choose a procurement route in accordance with current legislation in force at the time; or
- b. where appropriate and lawful, use an existing contract, dynamic purchasing system or Framework Agreement which was procured in compliance with legislation in force at the time.

**Contracts below the ~~UK~~ ~~EU~~ Thresholds**

10. CONTRACTS VALUED BETWEEN £50,000 AND ~~UK~~ ~~EU~~ THRESHOLDS

10.1 The Responsible Officer shall use one of the following procurement routes to procure award a contract valued between £50,000 and the appropriate ~~UK~~ ~~EU~~ threshold:

- (a) competitive procurement process appropriately advertised, including on the Council's own website; or
- (b) use of contract, dynamic purchasing system or Framework Agreement to which the Council is a party procured by another contracting authority.

10.2 The Responsible Officer must devise a fair and transparent sourcing route based on sound commercial principles and designed to achieve Value for Money, taking advice from Procurement. The Responsible Officer shall ensure that any decision relating to the sourcing route for a particular contract or service shall include an assessment of risk attaching to that decision and that analysis shall be recorded in writing and stored on the procurement file.

11. CONTRACTS WITH A VALUE BETWEEN £10,000 AND £50,000

11.1 When awarding a contract valued between £10,000 and £50,000 the Responsible Officer must:

- a. obtain a minimum of three written quotations from suppliers, where the Responsible Officer has sufficient knowledge of the market to

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be reasonably certain such an approach would elicit bids representing Value for Money, or

- b. undertake competitive procurement process advertised in accordance with legislative requirements and the Council's own website, or
- c. with the prior written approval of the relevant Director, obtain a single tender or written quote from a reputable supplier where the Responsible Officer has sufficient knowledge of the market to be reasonably certain such an approach would elicit a quote representing Value for Money.

11.2 Contract opportunities and awards must be advertised in accordance with the requirements of legislation in force at the time of the procurement.

**12. CONTRACTS WITH A VALUE OF LESS THAN £10,000**

- 12.1 The Responsible Officer must, in relation to any contract with a value of less than £10,000, demonstrate and record on the procurement file that the contract represents Value for Money. The Responsible Officer shall ensure that any decision relating to the sourcing route for a particular contract shall include an assessment of risk attaching to that decision and that analysis shall be recorded in writing and stored on the procurement file.

**13. USE OF SUPPLIER SELECTION QUESTIONNAIRES (SSQS)**

13.1. The Responsible Officer shall apply minimum standards of experience, reputation and economic standing to suppliers to test their suitability to bid for a Council contract. For contracts above UK ~~EU~~ thresholds suitability is usually tested by means of a SSQ.

13.2. All the methods and criteria used for assessing the suitability of suppliers shall be transparent, objective and non-discriminatory.

13.3. The Responsible Officer must use the Government's standard SSQ and adhere to its statutory guidance for all procurements of contracts above the relevant UK ~~EU~~ Threshold.

13.4. The Responsible Officer shall not use a SSQ for contracts with a value less than the current UK ~~EU~~ threshold.

**14. ELIGIBILITY TO BID**

14.1. Suppliers who fail to meet all of the Council's minimum standards of reputation, technical ability, experience or economic and financial standing as specified in

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the SSQ and accompanying documents shall be excluded from the procurement process.

- 14.2. Where the supplier is being excluded on grounds set out in current legislation but provides evidence in support of its reliability despite the existence of a relevant ground of exclusion, the Responsible Officer must consider that evidence and determine whether to exclude that supplier.
- 14.3. The Responsible Officer shall consult with the Council's Group Head of Corporate Support or his/her representative before reaching any decision under Standing Order 14.2.

15. ASSESSING PAST EXPERIENCE AND FINANCIAL STANDING

- 15.1. The Responsible Officer shall ensure suppliers' past experience and technical ability are assessed, for all contracts.
- 15.2. Only those suppliers who meet the Council's minimum requirements of economic and financial standing and technical and professional ability shall be awarded a contract.

16. AWARD CRITERIA

- 16.1. The Responsible Officer shall adopt award criteria which are fair, transparent, proportionate and appropriate to the subject matter of the contract.
- 16.2. Where the Responsible Officer proposes to use price as the only award criteria this approach must be approved by the Responsible Offer's Group Head.
- 16.3. The Responsible Officer shall adopt evaluation methodologies that are robust, have been tested to ensure they are appropriate for the procurement in question, and transparent.

**Tendering Procedure**

17. OPENING TENDERS

- 17.1. All tenders over £50,000 must be conducted through the Council's prescribed ~~mandated~~ e-tendering portal except as permitted with the prior written approval of Procurement. This includes any tender process carried out on the Council's behalf by an external organisation other than another Contracting Authority.

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Requests for Quotations for contracts valued at less than £50,000 may be conducted outside the Council's e-tendering portal.

- 17.2. After they are opened, the tenders must be listed in the tender register and the list must be signed by both persons who witnessed the opening of the tenders.

18. CLARIFICATION PROCEDURES AND POST TENDER DISCUSSIONS

- 18.1. Providing clarification of an Invitation to Tender to potential or actual tenderers or seeking clarification of a Tender is permitted.

19. EVALUATION

- 19.1. Quotations and Tenders must be evaluated by more than one Council officer unless the award criterion was lowest cost only.

- 19.2. The arithmetic in compliant tenders must be checked. If arithmetical errors are found they should be notified to the tenderer who should be requested to confirm or amend their tender accordingly.

20. CONTRACT AWARD

- 20.1. All contracts shall be awarded in accordance with the criteria set out in the procurement documents.

- 20.2. For contracts with a value at or above the ~~UK EU~~ Thresholds, the Responsible Officer shall adhere to the contract award procedures set out in current legislation in force and observe a standstill period before entering into the contract. The standstill period will normally end at midnight at the end of the tenth day after the date the Council sends notice to the tenderers electronically that it has made an award decision. No standstill period is required for contracts valued below the relevant ~~UK EU~~ Threshold but consideration should be given as to whether running a standstill period would mitigate any risks arising during the course of the procurement process.

21. CORRECTION OF ERRORS AND LATE TENDERS

- 21.1. All tenders must comply with the conditions set out in the procurement documents. Tenderers should be advised that any failure to adhere to the specific rules applicable to the tender in question is likely to result in their tender being rejected.

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21.2. The Responsible Officer may reserve the right in the procurement documents to accept late submissions or documents forming part of the tender at the Council's discretion, for example, where:

- the delay was caused by a mistake or failure of the Council; or
- the posting of the document or submission in question clearly pre-dated the deadline for receipt of tenders and the decision not to exclude the tenderer would not unduly favour any or disadvantage the other candidates.

22. DISCLOSURE, TRANSPARENCY AND RECORD KEEPING

22.1 **Electronic availability of documents**

The Responsible Officer shall ensure that all procurement documents for contracts that are at or above the ~~UK EU~~ Thresholds are available online free of charge without restriction from the time the ~~OJEU-Contract~~ Notice is published

23. DUTY OF CONFIDENTIALITY OWED TO SUPPLIERS

23.1 The Responsible Officer shall not disclose information which has been forwarded by a supplier and designated by that supplier as confidential or commercially sensitive, including technical or trade secrets and the confidential aspects of tenders, without express authorisation from the Group Head of Law and Governance & Monitoring Officer Corporate Support or his/her nominated representative in consultation with the Group Head of Council Advice & Monitoring Officer who shall balance the duty of confidentiality owed to suppliers against the Council's obligations under Freedom of Information Act 2000 (as amended or re-enacted from time to time) and any other disclosure obligations. The procurement documents must inform interested parties of the Council's duties of disclosure and invite tenderers to designate information as confidential or commercially sensitive. However, the Council cannot guarantee that all information so designated will be withheld.

24. PUBLICATION OF CONTRACT AWARD NOTICES

24.1 The Responsible Officer shall ensure that a Contract Award Notice is published in accordance with current legislative requirements. This Standing Order ~~245~~ applies to all contracts including contracts let under Framework

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Agreements, whether or not that Framework Agreement was itself advertised on Contracts Finder or anywhere else.

**25. DEBRIEFING TENDERERS**

25.1 For contracts valued at or above the ~~UK~~ ~~EU~~ Threshold, the Responsible Officer shall ensure that all candidates and tenderers are offered debrief information in accordance with current legislative requirements.

25.2 The Responsible Officer shall ensure no additional debrief meetings or communications take place outside of that required under paragraph 26.1 above until any standstill period has been completed.

**26. PROCUREMENT REPORT**

26.1 The Responsible Officer shall keep a copy of all procurement documents in accordance with the Council's document retention policy.

26.2 The Responsible Officer shall prepare a written report in relation to each procurement with a value at or above the relevant ~~UK~~ ~~EU~~ Threshold containing the following information (unless such information is contained in the Contract Award Notice):

26.2.1 the subject-matter and value of the contract, Framework Agreement or dynamic purchasing system;

26.2.2 where applicable, the results of the qualitative selection and reduction of numbers under regulations 65 and 66, namely:

- a) the names of the selected candidates or tenderers and the reasons for their selection;
- b) the names of the rejected candidates or tenderers and the reasons for their rejection;
- c) the reasons for the rejection of tenders found to be abnormally low;
- d) the name of the successful tenderer and the reasons why its tender was selected and, where known, the share (if any) of the contract or Framework Agreement which the successful tenderer intends to subcontract to third parties, and the names of the main contractor's subcontractors (if any);
- e) for competitive procedures with negotiation and competitive dialogues, the circumstances as laid down in regulation 26 which justify the use of those procedures;
- f) for negotiated procedures without prior publication, the circumstances referred to in regulation 32 which justify the use of this procedure;

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- g) where applicable, the reasons why the contracting authority has decided not to award a contract or Framework Agreement or to establish a dynamic purchasing system;
- h) where applicable, the reasons why means of communication other than electronic means have been used for the submission of tenders; and
- i) where applicable, conflicts of interests detected and subsequent measures taken.

26.3 The Responsible Officer shall maintain a procurement file containing sufficient information to justify decisions taken at all stages of the procurement such as documentation on:

- communications with suppliers and internal deliberations;
- preparation of the procurement documents;
- dialogue or negotiations, if any; and
- selection and award of the contract.

26.4 The Responsible Officer shall prepare a report containing such information as the Cabinet Office may request in respect of procurements at or above the relevant UK EU Threshold.

**D - THE CONTRACT AND OTHER FORMALITIES**

CONTRACT DOCUMENTS

28.1 All Relevant Contracts shall be in writing.

28.2 All Relevant Contracts which exceed £18950,000 in Total Value and all contracts for the execution of works over £50,000 shall be in writing and executed as a deed by affixing the Council's seal.

28.3 All Relevant Contracts, irrespective of value, shall clearly specify:

- the works, supplies or services to be provided (description, quantity and quality)
- the price to be paid, with a statement of any discounts or other deductions
- the time, or times, within which the contract is to be performed
- the Council's terms and conditions (in accordance with 28.3 and 28.4 below)

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- 28.4 The Council's official purchase order (created by either E5 or QL) identifies the Council's terms and conditions which are applicable to all Relevant Contracts with a Total Value up to £50,000. Where the nature of a contract requires a bespoke set of terms and conditions is required these shall be drafted by Legal Services.
- 28.5 Where the nature of the goods or services purchased require the Council to contract on the terms and conditions of a supplier the permission of the Group Head of Law and Governance & Monitoring Officer shall be obtained, a waiver in accordance with section 6 of these Standing Orders shall be required.
- 28.6 Where the Total Value of a Relevant Contract exceeds £50,000, the purchase order terms and conditions will be superseded by either:
- the Council's standard terms and conditions (long form)
  - terms and conditions issued by a relevant professional body or organisation e.g. the Joint Contracts Tribunal
  - bespoke terms and conditions approved ~~drafted~~ by Legal Services
  - the supplier's terms and conditions (which must be reviewed by Legal Services prior to placing an order/entering into the contract)
- 28.7 Every Relevant Contract over £50,000 must be in a form agreed by Legal Services and there is a presumption that it will also include:
- that the supplier may not assign or sub-contract without prior written consent
  - that the Council reserves the right to determine whether the terms of the engagement of the supplier are on employed or self-employed terms for tax purposes
  - any insurance requirements
  - health and safety requirements
  - ombudsman requirements
  - data protection (if relevant) and Freedom of Information requirements
  - that consultants must comply with the Council's Contract Standing Orders (where consultants are used to let contracts)
  - a right of access to relevant documentation and records of the supplier for monitoring and audit purposes if relevant.
  - the Council's right to require removal of a supplier employee
  - a clause relating to the prevention of bribery– see Standing Order 31
  - compliance with legislation regarding equality, diversity, discrimination and safeguarding (if relevant).
- 28.8 The formal advice of the Group Head of Corporate Support or his nominated representative must be sought for the following circumstances:
- where leasing arrangements are involved
  - where it is proposed to use a supplier's own terms
  - where a third party or sub-contractor is to be employed by the supplier to fulfil the contract



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29. CONTRACT FORMALITIES

29.1 Agreements shall be completed as follows (subject to delegated financial limits):

Total Value	Form of Contract	
Up to £50,000	Purchase order to be raised by an officer with signing authority of at least £50,000	<ul style="list-style-type: none"> <li>• The contract is formed by the purchase order, the terms and conditions referred to in the purchase order and any specification</li> <li>• <u>Where it is necessary to have a bespoke contract a written contract is to be prepared by Legal Services</u></li> <li>• <u>Where it is proposed to use the suppliers terms and conditions Legal Services is to be consulted</u></li> </ul>
Above £50,000	<u>Subject to CSO 22.8 (above)</u> Written contract to be executed as a deed by sealing. This is done by Legal Services	<ul style="list-style-type: none"> <li>• Purchase order to be raised</li> <li>• The written contract is to be prepared by Legal Services.</li> </ul>

29.2 Purchase orders must be raised and written contracts entered into before the supplies or services are provided or works begin, except in exceptional circumstances, and then only with the written consent of the Group Head of Law and Governance Corporate Support.

29.3 Sealing - The fixing of the Council's seal is to be witnessed by an authorised officer on behalf of the Group Head of Law and Governance Corporate Support.

Every seal will be consecutively numbered and recorded in the Council's seal register which will also be signed by the authorised officer witnessing the seal. The seal must not be affixed without the authority of Full Council, ~~Cabinet, a Cabinet Member, a committee or sub-committee~~ a Committee, Group Head acting under delegated powers or authorised officer, to whom powers have been delegated in accordance with the Constitution.

A contract must be sealed where:

- Subject to 28.2 above the Total Value is expected to exceed £50,000, (this may not apply to Framework Agreements), or

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- the Council may wish to enforce the contract for more than six years after its end, or
- the price paid or received under the contract is a nominal price and does not reflect the value of the supplies, services or works, or
- there is any doubt about the authority of the person signing for the other contracting party

**30. PERFORMANCE BONDS AND PARENT COMPANY GUARANTEES**

30.1 The Responsible Officer must consult the Group Head of Corporate Support:

30.1.1 about whether a Parent Company Guarantee is necessary when a tenderer is a subsidiary of a parent company, and:

- the Total Value of a Relevant Contract exceeds £250,000 or
- award is based on evaluation of the parent company, or
- there is some concern about the stability of the tenderer

30.1.2 about whether a Performance Bond is needed:

- where the Total Value of a Relevant Contract exceeds £1,000,000, or
- where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the tenderer.

**31. PREVENTION OF BRIBERY**

31.1 The Responsible Officer must take into account the requirements of the Bribery Act 2010 which introduces the general offences of offering or receiving bribes, a specific offence of bribing a foreign official and the new corporate offence of failing to prevent bribery.

31.2 The Responsible Officer must comply with the Employees Code of Conduct and the Council's anti-fraud and corruption strategy and must not invite or accept any gift or reward in respect of the award or performance of any contract.

Where an Officer is offered gifts or hospitality this must be declared on the Council's Gifts and Hospitality register which is maintained by the respective Directors' personal assistants and must comply with the clear guidance to Officers on accepting Gifts or Hospitality.

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Where a gift or hospitality is offered by a potential contractor during a procurement process the potential contractor is to be excluded from the process and the matter is to be immediately reported to the Group Head of Corporate Support.

It will be for the Officer concerned to prove that anything received was not received corruptly.

High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in this Contract Standing Order 31.

~~31.3~~ All written Council contracts must include a Prevention of Bribery clause. ~~The Council's standard terms and conditions include such a clause.~~

31.4~~31.3~~

Care should be taken to ensure that an appropriate clause is included in contracts issued by professional bodies or organisations and in supplier's terms and conditions before these are accepted. Advice must be sought from Legal Services if in doubt.

## **32. DECLARATION OF INTERESTS**

32.1 If it comes to the knowledge of a Member or an employee of the Council that a contract in which he or she has a Pecuniary Interest (as defined in the Code of Conduct) has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Group Head of Law and Governance & Council Advice & Monitoring Officer. The Group Head of Law and Governance Council Advice & Monitoring Officer shall report such declarations to the appropriate meeting for recording in the minutes.

32.2 The Group Head of Law and Governance Council Advice & Monitoring Officer shall maintain a record of all declarations of interests notified by Members and officers.

32.3 The Group Head of Law and Governance Council Advice & Monitoring Officer shall ensure that the attention of all Members is drawn to the Members' Code of Conduct.

## **E – POST-CONTRACT REQUIREMENTS**

### **33. CONTRACT MONITORING AND EVALUATION**

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- 33.1 During the term of all Relevant Contracts the Responsible Officer must monitor the following areas:
- performance
  - compliance with the specification and terms and conditions
  - cost
  - any Value for Money requirements
  - user satisfaction and risk management
- 33.2 Where the Total Value of the Relevant Contract exceeds £50,000 the Responsible Officer must make a written report evaluating the extent to which the purchasing need and the contract objectives (as determined in accordance with Standing order 5.1) were met by the contract. This should be done normally when the contract is completed. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to re-letting of the subsequent contract.

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**1. INTRODUCTION**

Financial Regulations provide the internal framework for managing the Council's financial affairs. These regulations apply to every Member and officer of Arun District Council and anyone in the public or private sector who acts on behalf of the Council. It is imperative that the Council has a strong and usable set of Financial Regulations that are accessible to all who are dealing with its financial matters.

Under Section 151 of the Local Government Act 1972, the Council is required to make arrangements for the proper administration of its financial affairs and arrange for one of its officers to be responsible for the administration of those affairs. This officer is the Group Head of Corporate Support.

Throughout these Financial Regulations, the title Group Head of Corporate Support will be used to denote the designated Section 151 Officer of the Council; in the case of absence or non-availability, the Financial Services Manager will be the deputy Section 151 Officer.

The Group Head of Corporate Support is responsible for maintaining a continuous review of the Financial Regulations and submitting any additions or changes necessary to the Council for approval. He/she is also responsible, where appropriate, for reporting breaches of the Financial Regulations to the Audit and Governance Committee.

It is the responsibility of Corporate Management Team (CMT)/Group Heads to ensure that all officers in their service are aware of the existence and content of these Financial Regulations, as well as other internal regulatory documents, and also to confirm that they comply with them.

It is the responsibility of the Group Head of Corporate Support to provide advice and guidance regarding the Financial Regulations that Members, officers and others acting on behalf of the Council are required to follow.

**STATUTORY REFERENCES**

- Local Government Act 1972
- Local Government Act 1999
- Local Government Act 2003
- Local Audit and Accountability Act 2014
- Accounts and Audit Regulations 2015

**CODES OF PRACTICE**

- Code of Practice on Local Authority Accounting in the United Kingdom
- Prudential Code for Capital Finance in Local Authorities
- Service Reporting Code of Practice for Local Authorities (CIPFA)
- Treasury Management Code of Practice (CIPFA)
- United Kingdom Public Sector Internal Audit Standards (PSIAS) as interpreted by CIPFA's Local Government Application Note



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**2. FINANCIAL PLANNING**

**2.1 FORMAT OF THE BUDGET**

**Why is this important?**

The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the rules around virement operate, the operation of cash limits and sets the level at which funds may be reallocated within budgets.

**Responsibilities of the Group Head of Corporate Support**

- To advise the committee and sub-committees on the format of the budget that is approved by the Council.

**Responsibilities of CMT/Group Heads**

- To comply with accounting guidance provided by the Group Head of Corporate Support.
- 

**Key controls**

The key controls for the budget format are: -

- a) That the format complies with all legal requirements;
- b) That the format reflects the accountabilities of service delivery; and
- c) That, in published statements where it is required, the format complies with CIPFA's *Service Reporting Code of Practice for Local Authorities*.

**2.2 BUDGETS AND MEDIUM-TERM PLANNING**

**Why is this important?**

The Council needs to plan effectively and develop systems to enable limited resources to be allocated in accordance with priorities. The budget is the financial statement of the Council's plans and policies.

The revenue and capital budgets must be constructed to ensure that resource allocation properly reflects the Council's strategic priorities and objectives as set out in the Corporate Plan and service plans. Budgets are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is illegal for the Council to budget for a deficit.

CMT/Group Heads shall prepare annually (normally for submission to the relevant committee each January), draft estimates of income and expenditure in a form agreed with the Group Head of Corporate Support together with any necessary explanations.

**Responsibilities of the Group Head of Corporate Support**

- To prepare and submit reports on budget prospects for Policy & Finance Committee in accordance with the Constitution, including resource constraints set by the Government. Reports should take account of medium-term prospects and review where appropriate.

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- To determine the detailed form of revenue estimates and the methods for their preparation, consistent with the budget approved by the Council, and following consultation with the Policy & Finance Committee and CMT/Group Heads.
- To prepare and submit reports to the relevant committees on the overall position, and Policy & Finance Committee on the aggregate spending plans of departments and resources available, identifying, where appropriate, the implications for the level of council tax to be levied.
- To advise on the medium-term implications of spending decisions.
- To encourage the best use of resources and value for money by working with CMT/Group Heads to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- To advise the Council on the Policy & Finance Committee's proposals on the robustness of the budget set and the adequacy of reserves in accordance with the Local Government Act 2003.

**Responsibilities of CMT/Group Heads**

- To prepare estimates of income and expenditure, in consultation with the Group Head of Corporate Support to be submitted to the appropriate committee.
- To prepare budgets consistent with any relevant cash limits, with the Council's annual budget cycle and with guidelines issued by the Policy & Finance Committee. The format will be prescribed by the Group Head of Corporate Support in accordance with the Policy & Finance Committee's general directions.
- To integrate financial and budget plans into service planning.
- To ensure that budget proposals underpin the Council's strategic priorities and objectives as set out in the Corporate Plan.

**Key controls**

The key controls for budgets and medium-term planning are: -

- a) specific budget approval is given for all expenditure;
- b) budget managers are consulted in the preparation of the budgets for which they will be held responsible and accept accountability within delegations set by the appropriate committee for their budgets and the level of service to be delivered; and
- c) a monitoring process is in place to regularly review the effectiveness and operation of budget preparation and to ensure that any corrective action is taken.

**2.3 CAPITAL PROGRAMME**

**Why is this important?**

Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant, equipment or vehicles.

Capital assets can shape the way services are delivered in the long term and create financial commitments for the future in the form of financing costs and revenue running

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costs. Capital expenditure can also result in the creation of an intangible asset, for items such as software licenses which have no physical substance.

The Council is required to set its Capital Programme having regard to the CIPFA Prudential Code, ensuring that it is affordable, prudent and sustainable. This means that capital expenditure forms part of an investment strategy that is carefully prioritised in order to maximise the benefit of limited resources. The Council must also approve its Prudential Indicators which are used to monitor performance throughout the year.

**Responsibilities of the Group Head of Corporate Support**

To prepare a capital programme covering at least two future financial years. If an urgent and unforeseen need arises to undertake a project in excess of the current approved capital programme or to accelerate the preparation, commencement or completion of a scheme, the proposal will be considered by the Corporate Management Team and if agreed will then be reported to the relevant committee (and Full Council if a supplementary estimate is required) for final approval.

- To prepare and submit regular reports to the relevant committee on the projected income, expenditure and resources compared with the approved estimates. Also, to inform the relevant committee where estimated expenditure on any scheme exceeds the capital programme provision by more than 10% or ~~£50,000-£100,000~~ whichever is lower, unless the amount is not material.
- The definition of 'capital' will be determined by the Group Head of Corporate Support, having regard to government regulations and accounting requirements.

**Responsibilities of CMT/Group Heads**

- To comply with guidance concerning capital schemes and controls issued by the Group Head of Corporate Support.
- To ensure that all estimates and programmes prepared in connection with capital expenditure shall include reference to the estimated revenue implications in each of the development years and in a full cost year as agreed with the Group Head of Corporate Support.
- To review the capital programme provisions for their services and the estimated final costs of schemes in the approved capital programme.
- To ensure that adequate records are maintained for all capital contracts.
- To proceed with projects / contracts only when there is adequate provision in the capital programme and guarantees of any external funding are in place.
- To notify the Group Head of Corporate Support immediately if the total value of a contract or its annual sum is likely to be different from the original figure by more than the approved limits (the lower of 10% or ~~£10050,000-£100,000~~ subject to materiality).

**Key controls**

The key controls for capital programmes are: -

- a) specific approval by the Council for the planned programme of capital expenditure;
- b) each capital project must be subject to a project appraisal in line with Programme and Project Management procedures and assessed against the Council's

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strategic objectives, prior to approval by the relevant committee, sub-committee or officer;

- c) proposals for improvements and alterations to buildings and land must be approved by the appropriate Director/Group Head;
- d) monitoring of progress in conjunction with expenditure and comparison with approved budget; and
- e) monitoring of Prudential Indicators throughout the year.

## **2.4 MAINTENANCE OF RESERVES**

### **Why are these important?**

The Council holds reserves for one of three purposes:

- working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing (general reserve);
- a contingency to cushion the impact of unexpected events or emergencies (general reserve); and
- a means of building up funds (earmarked reserve) to meet known or predicted liabilities.

It is the responsibility of the Section 151 Officer to advise the Council as to the level of general reserves.

### **Responsibilities of the Group Head of Corporate Support**

- To advise the Policy & Finance Committee and/or the Council on prudent levels of reserves for the Council, having regard to advice from the external auditor.

### **Responsibilities of CMT/Group Heads**

- To ensure that reserves are used only for the purposes for which they were intended.

### **Key controls**

To maintain reserves in accordance with the *CIPFA Code of Practice on Local Authority Accounting in the United Kingdom* and agreed accounting policies.

For each reserve established the following must be provided:

- The reason for / purpose of the reserve
- How and when the reserve can be used
- Procedures for the reserve management and control
- A process and timescale for review of the reserve to ensure continuing relevance and adequacy.

Authorisation and expenditure from reserves by the relevant Director/Group Head in consultation with the Group Head of Corporate Support.

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**3. FINANCIAL MANAGEMENT**

**3.1 BUDGETARY CONTROL**

**Why is this important?**

Budgetary control is the means by which the Council manages its finances and ensures their effective use in accordance with the approved budget. It is a continuous process, enabling the Council to monitor and review its financial performance during the financial year.

By continuously identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity.

To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the cash-limited budget allocated to it.

For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre.

**Responsibilities of the Group Head of Corporate Support**

- To administer an appropriate framework of budgetary management and control that ensures:
  - a) Budget management is exercised within annual cash limits
  - b) Each Director has available timely information on receipts and payments on each budget;
  - c) Expenditure is only committed against an approved budget
  - d) All officers responsible for committing expenditure comply with relevant guidance, and these Financial Regulations
  - e) Each budget heading has a single named manager, determined by the relevant Director/Group Head. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commit expenditure
  - f) Significant variances from approved budgets are investigated and reported by budget managers regularly
- To administer the Council's Scheme of Virement (see 3.2.).
- To submit reports to the Policy & Finance Committee and to the Council, in consultation with the relevant Director/Group Head, where it is not possible to balance expenditure and resources within existing approved budgets under his/her control (see 3.2.5 supplementary estimates).
- To prepare and submit regular monitoring reports to relevant committee on the Council's projected income and expenditure compared with the budget.

**Responsibilities of CMT/Group Heads**

- To maintain budgetary control within their services and to ensure that all income and expenditure is recorded and accounted for properly.
- To ensure that an accountable budget manager is identified for each item of income and expenditure.
- To ensure that spending remains within the service's overall cash limit, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.

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- To prepare and submit to the Policy & Finance Committee, reports on the service's projected expenditure compared with its budget, in consultation with the Group Head of Corporate Support.
- To ensure compliance with the Scheme of Virement (see 3.2).
- To agree with the relevant Director/Group Head where it appears that a budget proposal, including a virement proposal, may impact materially on another service area.

**Key controls**

The key controls for managing and controlling the revenue budget are: -

- a) budget managers should be responsible only for income and expenditure that they can influence;
- b) there is a nominated budget manager for each budget heading;
- c) budget managers accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities;
- d) all budgets are appropriately profiled through the financial year;
- e) budget managers follow an approved certification process for all expenditure;
- f) income and expenditure are recorded and accounted for properly.

**3.2 SCHEME OF VIREMENT**

A Scheme of Virement shall be prepared as a policy document by the Group Head of Corporate Support and approved by Policy and Finance Committee A summary of the current limits relating to virement as set out in the sections below is provided in Appendix 1 to these Rules.

**3.2.1. ~~General~~ Virement**

**Why is this important?**

Virement is the transfer of budget from one specific area to another. This can either be a transfer within revenue budgets or capital budgets. Restrictions may apply to transfers between capital and revenue budgets. Virement can be a temporary (in-year) or permanent transfer of budget.

The Scheme of Virement is intended to enable committees, together with CMT/Group Heads and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, ~~and, therefore, to optimise the use of resources. Budget Variation reports form a standing item on committee Agendas. They can be used to group together requests for virements or supplementary estimates and for urgent items, subject to consultation with the Group Head of Corporate Support.~~

**Responsibilities of the Group Head of Corporate Support**

- To submit a report to the Corporate Management Team and Policy & Finance Committee where virements are proposed between directorate areas;
- To approve all virements between £50,001 and ~~£500,000~~£100,000.
- To ensure that all virements over ~~£500,000~~ £1500,000 are approved by the relevant committee.

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**Responsibilities of CMT/Group Heads**

- CMT/Group Heads may exercise virement on budgets under their control of up to a maximum of £50,000, provided the Group Head of Corporate Support has given their approval.
- To submit a report to the relevant committee for virements over ~~£1500,000~~ **£500,000**, provided that the Group Head of Corporate Support has been notified.
- Salary budgets ~~reflect represent~~ the Council's approved establishment. As such the salary budgets cannot be vired to other areas of the budget. A favourable salary budget variance may be used to cover the additional temporary staffing costs incurred due to the vacant post subject to the corporate vacancy target.
- Virements against future anticipated fees and charges or other uncertain sources of income will not be allowed.
- Savings of a non-recurring nature (temporary) cannot be used to justify the incurring of expenditure with a continuing commitment into later years (permanent).
- Virement that is likely to impact on the level of service activity of another service should be implemented only after agreement with the relevant Director/Group Head.

**Key controls**

Key controls for the Scheme of Virement are: -

- a) it is administered by the Group Head of Corporate Support within guidelines set by the Council. Any variation to the scheme requires the approval of the Council;
- b) the overall budget is recommended by the Policy & Finance Committee and approved by the Council. CMT/Group Heads are authorised to incur expenditure in accordance with the estimates that make up the budget.
- c) virement does not create a net increase in budget. CMT/Group Heads are expected to exercise their discretion in managing their budgets responsibly and prudently.

**~~3.2.2 Virements Relating To S106 and Community Infrastructure Levy (“CIL” Contributions~~**

**~~Why is this important?~~**

~~Section 106 agreements are legal agreements negotiated as part of the planning process and are in relation to matters that are deemed to be necessary to allow a planning application that would otherwise be unacceptable to be acceptable as they mitigate the impact of the development.~~

~~They provide an important source of additional funding towards a range of infrastructure and services such as community facilities, public open spaces, transport improvement and or affordable housing.~~

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~~The purposes for which they can be used are set out in the agreements and this can only be varied with consent.~~

~~CIL contributions are determined in accordance with the CIL Regulations and the Council's Charging Schedule~~

~~**Responsibilities of the Group Head of Corporate Support**~~

~~To ensure that virements relating to s106 funding over £25,000 are approved by the relevant committee and in accordance with the s.106 agreement~~

~~**Responsibilities of CMT/Group Heads**~~

~~CMT/Group Heads may exercise virements relating to s106 funded expenditure under their control up to a maximum of £25,000 provided that the Group Head of Corporate Support has given their approval.~~

~~To submit a report to the relevant committee for expenditure over £25,000 at the earliest opportunity with details of how the funding is to be applied.~~

~~**Key controls**~~

~~Key controls for s106 funded expenditure are:~~

~~it is administered by the Group Head of Corporate Support within guidelines set by the Council; and~~

~~virement does not create a net increase in budget. CMT/Group Heads are expected to ensure that funds are spent within the terms of the agreement including any time limits that may apply.~~

~~**3.2.3 Virements Relating to Contingency Budgets**~~

~~**Why is this important?**~~

~~The Contingencies and Special Items budget is assessed annually as a provision for known possible service changes that have not been sufficiently developed to fully cost into the budget.~~

~~**Responsibilities of the Group Head of Corporate Support**~~

~~To ensure that virements relating to contingency budgets have been fully costed before budgets are vired to service areas. Virements are noted in budget monitoring reports.~~

~~**Responsibilities of CMT/Group Heads**~~

~~To submit fully developed spending plans to the Group Head of Corporate Support at the earliest opportunity.~~

~~**Key controls**~~

~~Key controls for virements from Contingency budgets:~~

~~it is administered by the Group Head of Corporate Support within guidelines set by the Council; and~~

~~virement does not create a net increase in budget. CMT/Group Heads are expected to ensure that the use of these budgets follow the Council's priorities.~~

~~**3.2.4 Virements Relating to Reserves**~~



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**Why is this important?**

~~Earmarked reserves should only be used for the purpose that they are intended. Unrequired earmarked reserves should be returned to the General Fund. Capital reserves should only be applied in line with statutory approvals~~

**Responsibilities of the Group Head of Corporate Support**

~~To ensure that all virements from Earmarked Reserves up to £100,000 are approved by the relevant member of the CMT or Group Head. To ensure that all virements relating to the use of Earmarked Reserves over £100,000 are approved by the relevant committee.~~

~~To ensure that all proposals to the use of capital receipts complies with statutory guidance, the Property Investment Strategy and have a viable business case. To ensure that purchase of commercial property up to £750,000 has been approved by the Director of Place and that purchases of commercial property over £750,000 has been approved by the relevant committee.~~

**Responsibilities of CMT/Group Heads**

~~To ensure that earmarked reserves are used only for the purpose for which they were intended.~~

~~That unrequired earmarked reserves are returned to the General Fund.~~

~~To submit proposals to the Group Head of Corporate Support as soon as practicable. It is the responsibility of the Director of Place to ensure that a viable business case is submitted and approved for the acquisition of commercial property of up to £750,000. It is the Director of Place's responsibility to seek approval from the relevant committee for the acquisition of commercial property in excess of £750,000, subject to the approval of a satisfactory business case. Commercial property acquisitions are subject to the availability of sufficient capital receipts as identified in the Property Investment Strategy.~~

**Key controls**

~~Key controls for virements from reserves:~~

~~It is administered by the Group Head of Corporate Support within guidelines set by the Council.~~

~~Virement does not create a net increase in budget. CMT/Group Heads are expected to ensure that the use of these budgets follow the Council's priorities.~~

**3.2.5 SUPPLEMENTARY ESTIMATES**

**Why is this important?**

Supplementary estimates are requests for additional resources (capital or revenue) over and above the approved budget. The Council has limited financial resources so expenditure needs to be carefully monitored. When a need to incur unavoidable or non-controllable expenditure is identified and the amount required cannot be met by virement, a request for a supplementary estimate shall be submitted to the Policy & Finance Committee and Full Council. Supplementary estimates can, in exceptional circumstances and with the approval of the Group Head of Corporate [Support services](#), be considered by Full Council when referral via the relevant committee and Policy & Finance Committee would cause unreasonable delay.

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**Responsibilities of the Group Head of Corporate Support**

- To ensure that all supplementary estimates (where net expenditure cannot be contained within existing budget provision) are approved by Policy & Finance Committee and Full Council. The only exception to this rule is on the grounds of urgency.

**Responsibilities of CMT/Group Heads**

- To submit estimates to the Group Head of [Corporate Support](#) at the earliest opportunity where unavoidable expenditure is likely and a specific source of funding cannot be identified.
- To submit a report to Policy & Finance Committee and Full Council when a supplementary estimate is proposed and net expenditure cannot be contained within existing budget provision.

**Key controls**

Key controls for supplementary estimates are:

- (a) It is administered by the Group Head of Corporate Support with a view to affordability, impact on the Councils overall financial position and existing and anticipated level of balances;
- (b) the overall budget is recommended to Policy & Finance Committee and approved by the Council. Any additional expenditure incurred must also be recommended to the Policy & Finance Committee (unless this is not practical) and approved by the Council; and
- (c) supplementary estimates create a net increase in budget. CMT/Group Heads are expected to exercise their discretion in managing their budgets responsibly and prudently and wherever possible meeting additional cost pressures by virement from within existing budgets. Supplementary estimates should only be requested under exceptional circumstances.

### **3.3 ACCOUNTING POLICIES**

**Why are these important?**

The Council is required to follow proper practices in preparing its Statement of Accounts. The Council's Accounting Policies are a key part in ensuring that this is done, and these are detailed in the Statement of Accounts.

**Responsibilities of the Group Head of Corporate Support**

- To establish suitable accounting policies and to ensure that they are applied consistently.
- To ensure that the accounting policies are consistent with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom, for each financial year.

**Responsibilities of CMT/Group Heads**

- To adhere to the accounting policies and guidelines approved by the Group Head of Corporate Support.

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**Key controls**

The key controls for accounting policies are:

- a) Systems of internal control are in place to ensure that financial transactions are lawful;
- b) Suitable accounting policies are established and applied consistently;
- c) Proper accounting records are maintained;
- d) Financial statements are prepared which present fairly the financial position of the Council and its expenditure and income; and
- e) Accounting policies are set out in the Statement of Accounts and are subject to external audit.

**3.4 ACCOUNTING RECORDS AND RETURNS**

**Why are these important?**

Maintaining proper accounting records is one way in which the Council discharges its responsibility for stewardship of public resources. The Council has a statutory responsibility to prepare annual accounts that present its operations during the financial year fairly. These annual accounts are subject to external audit. This audit provides assurance that the accounts are prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.

**Responsibilities of the Group Head of Corporate Support**

- To determine the accounting policies, procedures and the method for recording transactions for the Council.
- To arrange for the compilation of all accounts and accounting records under his/her direction.
- To comply with the following principles when allocating accounting duties: -
  - a) Employees responsible for the calculation, checking and recording of income and expenditure should not be responsible for the collection and disbursement of such income and expenditure; and
  - b) Employees with the duty of examining or checking the accounts of cash transactions must not be engaged in those transactions.
- To make proper arrangements for the audit of the Council's annual accounts in accordance with the Accounts and Audit Regulations 2015.
- To ensure that all claims for funds (including grants) are made accurately and by the due date.
- To prepare and publish the audited annual accounts of the Council for each financial year, in accordance with the statutory timetable.
- To ensure the proper security and retention of financial documents in accordance with the requirements set out in the Council's Document Retention Policy.

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- To ensure that an asset register is maintained, and assets are appropriately revalued and categorised in accordance with *Code of Practice on Local Authority Accounting in the United Kingdom*.

**Responsibilities of CMT/Group Heads**

- To ensure that a copy of any approved funding from a third party, including government grant, is immediately passed to the Group Head of Corporate Support.
- To ensure that all necessary service-related information is available to support all claims for funds, including government grants.
- To maintain adequate records to provide a management/audit trail leading from the source of income/expenditure through to the accounting statements.
- To supply information required to enable the statement of accounts to be completed and published in accordance with the timetable and guidelines issued by the Group Head of Corporate Support.

**Key controls**

The key controls for accounting records and returns are:

- a) All committees, finance employees and budget managers operate within the required accounting standards and timetables;
- b) All the Council's transactions, material commitments, contracts and other essential accounting information are recorded completely, accurately and on a timely basis;
- c) Procedures are in place to enable accounting records to be reconstituted in the event of systems failure;
- d) Reconciliation procedures are carried out to ensure transactions are correctly recorded;
- e) Prime documents are retained in accordance with legislative and other requirements, as set out in the Council's Document Retention Policy; and
- f) The central accounting system of the Council, administered by the Group Head of Corporate Support, is the prime system upon which the financial position of the council, or any part of the Council, will be assessed.

**3.5 THE ANNUAL STATEMENT OF ACCOUNTS**

**Why is this important?**

The Council has a statutory responsibility to prepare its own accounts to present its operations during the financial year in a fair manner. The Council is responsible for approving the statutory annual statement of accounts, through delegation to the Audit & Governance Committee.

**Responsibilities of the Group Head of Corporate Support**

- To establish suitable accounting policies and to apply them consistently.
- To make judgements and estimates that are reasonable and prudent.
- To comply with the *Code of Practice on Local Authority Accounting in the United Kingdom*.

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- To sign and date the statement of accounts, stating that it presents fairly the financial position of the Council at the accounting date and its income and expenditure for the financial year.
- To draw up the timetable and requirements for final accounts preparation and to advise employees and the external auditor accordingly.

**Responsibilities of CMT/Group Heads**

- To comply with accounting guidance provided by the Group Head of Corporate Support and to supply the Group Head of Corporate Support with information when required.

**Key controls**

The key controls for the annual statement of accounts are: -

- a) The Council is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of these affairs. In this Council, that officer is the Group Head of Corporate Support; and
- b) The Council's statement of accounts must be prepared in accordance with proper practices as set out in the *Code of Practice on Local Authority Accounting in the United Kingdom*.

**4. RISK MANAGEMENT AND CONTROL OF RESOURCES**

**4.1 RISK MANAGEMENT AND INSURANCE**

**Why is this important?**

Risk management is a planned and systematic approach to identifying, evaluating and controlling risk. Its objectives are to secure the assets of the organisation and to ensure the continued financial and organisational wellbeing of the Council. It is, therefore, an integral and essential part of good business practice. Risk management is concerned with evaluating the measures an organisation already has in place to manage identified risks and then recommending the action needed to control these risks effectively.

It is the overall responsibility of the Audit & Governance Committee to approve the Council's Risk Management Strategy, and to promote a culture of risk management awareness throughout the Council.

**Responsibilities of the Group Head of Corporate Support**

- To prepare and promote the Council's Risk Management Strategy.
- To effect corporate insurance cover, through external insurance and internal funding, and to negotiate all claims, in consultation with other officers where necessary.

**Responsibilities of CMT/Group Heads**

- To notify the Group Head of Corporate Support immediately of any injury, loss, liability or damage that may lead to a claim against the Council, together with

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any information or explanation required by the Group Head of Corporate Support or the Council's insurers.

- To take responsibility for risk management and minimising exposure to loss, having regard to advice from the Group Head of Corporate Support and other specialist advisers (e.g. health and safety, emergency planning).
- To ensure that there are regular reviews of Corporate and Departmental risk registers to identify and evaluate risk and to determine the ways risk can be managed. The risks and the mitigating actions should be recorded and monitored.
- To notify the Group Head of Corporate Support promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.
- To consult the Group Head of Corporate Support on the terms of any indemnity that the Council is requested to give.

**Key controls**

The key controls for risk management are:

- a) Procedures are in place to identify risks, to evaluate their likely impact and probability of occurring, and to determine suitable risk reduction strategies. The risk management process operates continually to ensure that changes in circumstances and new risks are identified, evaluated and managed;
- b) Corporate and Departmental Risk Registers are produced and are regularly reviewed and action taken when appropriate;
- c) Risk management procedures are communicated effectively throughout the Council. Managers know that they are responsible for managing risks in their areas and are provided with relevant information on risk management initiatives;
- d) Acceptable levels of risk are determined and insured against where appropriate; and provision is made through balances or reserves for losses where insurance is not appropriate;
- e) The Council has identified business continuity plans for implementation in the event of disaster that results in significant loss or damage to its resources.

**4.2 AUDIT REQUIREMENTS**

**Internal Audit**

The requirement for an internal audit function is implied by the Accounts & Audit Regulations 2015 which requires that the Council must each financial year conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

It will act in accordance with the internal audit charter and *UK Public Sector Internal Audit Standards (PSIAS)* and will undertake reviews that focus on areas of greatest risk to the Council, as agreed annually in consultation with CMT and approved by the

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Audit & Governance Committee. However, it is the responsibility of every manager to establish and maintain an effective system of internal control.

Internal audit shall have the authority to have unrestricted access to all records, assets, personnel and premises deemed necessary to review the activities of the Council and (where appropriate, subject to contractual arrangements) its contractors and operating partners. It also has authority to obtain from all employees and members such information and explanations as are considered necessary and direct access and freedom to report to CMT and Council committees (although its primary responsibility is to the Audit & Governance Committee).

**Key controls**

The key controls for Internal Audit are:

- a) That it is independent in its planning and operation;
- b) the ~~Chief~~ Internal Auditor has direct access to the Chief Executive, all levels of management and directly to elected members; and
- c) The internal auditors comply with the United Kingdom Internal Audit Standards as interpreted by CIPFA's Local Government Application Note.

**4.3 PREVENTING FRAUD AND CORRUPTION**

The Council takes the prevention of fraud, corruption and maladministration very seriously and has the following policies in place, which aim to prevent or deal with such occurrences: -

- Anti-Fraud, Corruption & Bribery Policy
- Whistleblowing Policy (in respect of the Public Interest Disclosure Act 1998)
- Anti-money laundering procedures
- HR policies regarding discipline of staff
- Registers of Interests for Members and staff
- Robust processes for the procurement of goods and services

The Council expects all Members and employees to act with propriety and accountability and also expects that individuals and organisations with whom the Council comes into contact (for example, suppliers, contractors and service providers) will act towards the Council with integrity and without thought or actions involving fraud and corruption.

Where financial or other impropriety is discovered or suspected it must immediately be reported to the Group Head of Corporate Support and/or the Chief Internal Auditor for appropriate investigation and action.

**4.4 ASSETS – (LAND, BUILDINGS, FURNITURE, EQUIPMENT ETC.)**

**Acquisitions**

**Why are these important?**

The Council is publicly accountable for the way that it spends its money. Value for money must be demonstrated. Therefore, the Council has to exercise control over its

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purchasing activity, including asset acquisition (e.g. property, vehicles, plant and equipment, furniture).

**Responsibilities of the Group Head of Corporate Support**

- To issue guidelines on the best practice in respect of asset acquisition.
- To periodically review all guidelines to ensure that they still reflect best practice.
- To ensure that all expenditure is properly recorded in the Council's accounts and records.

**Responsibilities of CMT/Group Heads**

- To ensure that the Council's policies and procedures are complied with.
- To ensure that the necessary separation of duties is observed.
- To ensure that assets purchased are necessary.

**Key controls**

The key controls for asset acquisition are:

- a) Council policies in respect of the acquisition of assets are complied with at all times. This includes compliance with Contract Regulations for all asset acquisitions.
- b) There are at least two employees involved in the process of acquisition, with a separation of duties between employees involved in the different parts of the process.
- c) Procedures protect employees involved in the acquisition of assets from accusations of impropriety.

**Asset disposal and transfer**

**Why is this important?**

It would be uneconomic and inefficient for the cost of maintaining assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the Council's policies and procedures.

Assets are sometimes used by or transferred to an external party, for example as part of an outsourced contract or partnership arrangement. It is important that the legal and financial basis for the transfer is determined and properly documented, so that the interests of the Council are protected.

**Responsibilities of the Group Head of Corporate Support**

- To issue guidelines representing best practice for disposal of assets.
- To ensure appropriate accounting entries are made to remove the value of disposed or transferred assets from the Council's records and to include the sale proceeds, if appropriate.

**Responsibilities of Directors/Group Heads**

- To seek advice from the Group Head of Corporate Support on the disposal of surplus or obsolete materials, equipment and vehicles.
- To seek advice from the Group Head of Corporate Support where assets are to be transferred or predominantly used by an external party.
- To ensure that income received for the disposal of an asset is properly banked and coded.



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- To authorise the write off and disposal of obsolete or surplus materials and equipment.
- To ensure that the disposal of obsolete or surplus materials and equipment, is shall be conducted in accordance with the provisions detailed in (a) (i) – (vi) below.

**Specifically relating to the disposal or acquisition of land and buildings: -**

To ensure that all disposals of land and buildings are in accordance with the Council's land sale policy current at the time. Where disposal of land and buildings is allowed, it shall be conducted in accordance with the provisions detailed in (a) (i) – (vi) below.

- (a) Approved methods of disposal shall be by:-
- i. Private Treaty;
  - ii. Auction;
  - iii. Tender
  - iv. Sealed Offer;
  - v. Exchanges of land; or
  - vi. Compulsory Purchase Order
- (b) To ensure that where land is to be disposed of by the Council, the Group Head of Corporate Support shall ensure compliance with Financial Regulations and S123 of the Local Government Act 1972.

**Key controls**

- (a) assets for disposal or transfer are identified and are disposed of or transferred at the most appropriate time, and only when it is in the best interests of the Council, and the best price or contract terms are obtained, bearing in mind other factors, such as environmental issues – in accordance with an assets disposal policy to be approved by Finance and Policy Committee.
- (b) for items of significant value, disposal should be by competitive tender or public auction; and
- (c) procedures protect employees involved in the disposal of assets from accusations of personal gain.

**Security (Including Inventories)**

**Why is this important?**

The Council holds assets in the form of property, vehicles, equipment and other items worth many millions of pounds. Information held by the Council is also a key asset. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of assets. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

**Responsibilities of the Group Head of Corporate Support**

- To ensure that an asset register is maintained in accordance with good practice for all assets with a value in excess of £25,000. The function of the asset register is to provide the Council with information about **fixed** assets so that they are: -
  - safeguarded;
  - used efficiently and effectively;

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- adequately maintained; and
- accounted for.
- To receive the information required for accounting, costing and financial records from each director/group head.
- To ensure that assets are valued in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.
- To maintain a central register of IT equipment.

**Responsibilities of CMT/Group Heads**

- To ensure the proper security of all employees, buildings and other assets under their control.
- To pass title deeds to the Group Head of Law and Governance Corporate Support who is responsible for custody of all title deeds.
- To ensure the safe custody of vehicles, equipment, furniture, and other property belonging to the Council.
- To ensure that assets are identified, their location recorded and that they are appropriately marked and insured.
- To ensure cash holdings on premises are kept to a minimum and that maximum limits are agreed by the Group Head of Corporate Support.
- To ensure that keys to safes and similar secure containers/cupboards are carried on the person of those responsible at all times; loss of any such keys must be reported to the Group Head of Corporate Support as soon as possible.
- To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Group Head of Corporate Support.
- To carry out an annual check of all items on the inventory in order to verify location, to review condition and to take action in relation to surpluses or deficiencies, annotating the inventory accordingly.
- To make sure that property is only used in the course of the Council's business, unless the Director/Group Head concerned has given permission otherwise.

**Key controls**

- (a) assets registers are accurately maintained and all assets are accounted for; and
- (b) assets are valued in accordance with approved policies and appropriate values included in the Council's annual Accounts.

**4.5 TREASURY MANAGEMENT**

**Why is this important?**

Many millions of pounds pass through the Council's accounts each year. The scale of the local authority treasury activity and issues such as the Icelandic banking collapse has led to the development of CIPFA's *Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities (Prudential Code)*. These aim to provide assurances that the Council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.

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**Responsibilities of Group Head of Corporate Support** To arrange the borrowing and investments of the Council, including bank overdrafts, in such a manner as to comply with the CIPFA Code of Practice on Treasury Management, the Prudential Code, the Council's Treasury Management Strategy and the Council's Treasury Management Practices.

- To report on treasury activities to the Audit & Governance Committee, with recommendations (including adoption of the Treasury Management Strategy Statement & Annual Investment Strategy) referred for approval by Full Council.
- To operate bank accounts as are considered necessary. All arrangements with the Council's approved bankers regarding the Council's bank accounts, and the terms on which they are conducted shall be made by the Group Head of Corporate Support.
- To ensure that detailed arrangements are made regarding the Council's bank accounts and for the issue of cheques and cards. All cheques or cards shall be ordered only on the authority of the Group Head of Corporate Support who shall advise on proper arrangements for their safe custody.
- All of the Council's bank accounts must be in the name of "Arun District Council".
- To ensure that all investments or utilisation of monies and other accumulations and the sale or realisation of investments are made in the name of the Council or in the name of nominees approved by the relevant committee.
- To effect all borrowings in the name of the Council.
- To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money and investment by the Council.
- To ensure that in circumstances where the Council has decided to finance capital expenditure by way of leasing, deferred purchase, or similar arrangements, the Group Head of Corporate Support or his/her authorised representative shall so far as possible, obtain competitive quotations from relevant funding sources and such arrangements shall be subject to approval by the relevant committee.

**Responsibilities of CMT/Group Heads**

- To follow the instructions on banking issued by the Group Head of Corporate Support.
- To ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the relevant committee, following consultation with the Group Head of Corporate Support.
- To ensure that CMT/Group Heads advise the Group Head of Corporate Support of the disposal of any vehicle or item of equipment that is subject to a lease.

**Key controls**

- (a) the Treasury Management Strategy Statement & Annual Investment Strategy must be approved by Full Council by 31<sup>st</sup> March for the next financial year;
- (b) Council investments are only placed with approved institutions in line with the agreed strategies;
- (c) investment performance is monitored and reported to officers and Members;
- (d) funds transfers (e.g. by CHAPS) require dual authorisation by designated officers; and

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- (e) investment and borrowing requirements are identified and planned for in short-term cashflow forecasting and longer-term financial strategies.

#### **4.6 WORKFORCE**

##### **Why is this important?**

The Council sees its employees as a valuable asset to running its business to provide the highest level of service, it is essential that the Council recruits and retains high calibre, knowledgeable employees, who are qualified to an appropriate level.

##### **Responsibilities of the Group Head of Corporate Support**

- To ensure that CMT/Group Heads have identified budget provision for all existing and new employees.
- To act as an advisor to CMT/Group Heads on areas such as National Insurance and pension contributions, as appropriate.
- To develop a workforce strategy, policy and procedures and ensure they are disseminated and enforced.

##### **Responsibilities of CMT/Group Heads**

- To produce an annual workforce budget.
- To ensure that the workforce budget is an accurate forecast of workforce levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).
- To ensure that the workforce budget is not exceeded without due authority and that it is managed to enable the agreed level of service to be provided.
- To comply with, and ensure employees comply with, the Council's Human Resource policies (for example: recruitment, training and flexible working policies).

##### **Key controls**

The key controls for employees are: -

- (a) an appropriate workforce strategy and policy exists, in which employee requirements and budget allocation are matched;
- (b) procedures are in place for forecasting workforce requirements and cost;
- (c) controls are implemented that ensure that employee time is used efficiently and to the benefit of the Council; and
- (d) checks are undertaken prior to appointing new employees to ensure that they are appropriately qualified, experienced and trustworthy.

#### **5. FINANCIAL SYSTEMS AND PROCEDURES**

##### **5.1 GENERAL**

###### **Introduction**

The Council is governed by laws requiring that it makes proper arrangements for the administration, reporting and safeguarding of those funds and act in a way that is open and accountable as to how those funds are used.

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Whilst all Council Officers and Members have a general financial responsibility, Section 151 of the Local Government Act 1972 requires that a suitably qualified officer must be responsible for the financial administration of the organisation. This officer is the Group Head of Corporate Support.

**Group Head of Corporate Support**

The Group Head of Corporate Support is responsible for the proper administration of the Council's financial affairs, prescribe appropriate financial systems, protocols, procedures and policies, maintain an internal audit service and report to the Council in the event of any decision or action leading to, or may lead to, unlawful expenditure, loss, deficiency or accounting entry and;

- (a) will be responsible for ensuring the final accounts are completed and published in accordance with statute and accepted public sector accounting requirements and the reporting to Members of any material amendments specified by external audit,
- (b) will have unrestricted access to all Council assets, systems, documents, information, data, employees and Members held by the Council,
- (c) issue guidance, advice or instruction on the application of these financial systems and procedures as appropriate,
- (d) recommend to the Council the addition, alteration or deletion of any financial regulation.

**CMT/Group Heads (Senior Management Team)**

CMT and Group Heads being the Senior Management Team of the Council;

- a) will manage budgets and financial activity within their area of responsibility including the planning and control of budgets and prevention of fraud and corruption to ensure efficient and effective use of resources,
- b) shall consult with the Group Head of Corporate Support and obtain approval on any matter that may have a material effect, advantageous or detrimental, on the Council's financial position or financial strategy,
- c) ~~c~~Comply with any instruction given by the Group Head of Corporate Support regarding the form and method of financial record keeping or the operation of any financial procedures.

**Committees and Sub-Committees**

All Committees or Sub-Committees will ensure that decisions taken are within their remit and relevant budgets, are compliant with adopted policies, and consistent with achievement of the Council's service or corporate plans

**Council**

The Council will;

- ~~determine the Medium Term Financial Strategy~~ (MTFS)
- approve and annual budget and determine the level of local taxation and other statutory charges
- approve the Treasury Management Strategy (TMS) and prudential indicators

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- approve changes to these financial procedures

**Officers and Members**

All Officers and Members will contribute to the general stewardship of the Council's financial affairs in compliance with this code and any systems, procedures, policies prescribed by law or the Group Head of Corporate Support relating to the Council's financial management. They will bring to the attention of the Group Head of Corporate Support any matter that is contrary to the provisions of [these Regulations](#) ~~this code~~ or the high standard of financial probity expected of the Council or may bring the Council into disrepute or legal challenge.

**5.2 INCOME**

All employees receiving money or cashable instruments (including cash, cheques, credit/debit card payments, direct credits, etc.) or making arrangements for the collection of income must comply with the relevant procedures and instructions issued by the Group Head of Corporate Support to ensure that sums are properly recorded, receipted, and banked, and correct accounting entries made.

Cash, in coin or bank note, is only to be accepted in exceptional circumstances and every effort should be made to promote cashless payments.

**Budget Holders**

All officers with budget management responsibility are required to ensure that;

- invoices and credit notes are raised promptly,
- all enquiries relating to invoices raised and answered promptly,
- any matters that may affect recovery of an invoiced debt is made known to Accounts Receivable,
- any debts considered appropriate for write-off are notified to the Group Head of Corporate Support,
- income is regularly monitored and any irregularities are promptly notified to the Group Head of Corporate Support,
- a review of fees, charges and other income is undertaken at least annually and also as part of the budget setting cycle.

**Write-off of irrecoverable debt**

Once levied, debt may not be cancelled, except by full payment or by its formal writing off. A credit note to replace a debt must only be issued to correct a factual inaccuracy or administrative error in the calculation or billing of the original debt. [The Head of Corporate Support shall periodically submit a Debt Management and Write off Policy for adoption by Finance & Policy Committee](#)

**Disposal of Assets**

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CMT or Group Heads will notify the Group Head of Corporate Support of any proposal to dispose of any surplus assets within their control or responsibility. The Group Head of Corporate Support will assess in consultation with the Director or Group Head the value of the asset(s) and determine the most appropriate route for disposal. The prior approval of the relevant committee is to be sought for the disposal of any asset with a current value of more than £5,000 in the Asset Register.

Subject to any policy adopted by Finance and Policy Committee the ~~The~~ Group Head of Corporate Support is approved to write-off a debt (or combination of debts) due from any individual debtor in any one financial year of not more than ~~£8000~~ ~~£2,000~~ in aggregate.

Subject to any policy adopted by Finance and Policy Committee Debts greater than ~~£8000~~ ~~£2,000~~ may only be written-off with relevant committee approval.

**5.3 EXPENDITURE**

**General**

All purchases of goods and services are to be made in compliance with procedures in the Contract Standing Orders, as set out at Part 6 of this Constitution, or as otherwise instructed by the Group Head of Corporate Support. All Council purchases (other than those made by credit card) must be made and authorised by raising an Official Order in the Council's financial management system or property management system.

Purchases made using a Council credit card must be supported by a Payment Requisition signed by the purchasing employee and counter-signed by an authorised officer and forwarded promptly to the Group Head of Corporate Support.

The Group Head of Corporate Support will determine the authorised purchasing limits for all officers in consultation with the relevant Director or Group Head.

All purchases of goods and services must be supported by a valid invoice (in electronic or hard copy) that meets the requirements of the HM Revenue & Customs to support VAT recovery where appropriate.

Payments for goods and services will ~~be~~ only be made where it can be referenced to an Official Order and will be by bank automated clearing system (BACS) or such other alternative method as may be approved by the Group Head of Corporate Support.

**Acquisition of Assets**

Assets purchased at a cost of more than £25,000 must be notified to the Group Head of Corporate Support for inclusion in a register of assets maintained to comply with public sector accounting requirements and best practice.

**Employees and Members**

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All payments to employees and Members will be made through the Council's payroll or as otherwise authorised by the Group Head of Corporate Support in order that all statutory and regulatory requirements are met.

No payment will be made unless approved by a duly authorised officer. The Group Head of Corporate Support will determine the limit of authority for any officer in consultation with the relevant Director or Group Head.

**5.4 TAXATION**

The Council has a statutory duty for the proper administration of its tax affairs in pursuance of various ~~United Kingdom and European Union~~ legislation and directives.

**Commented [CH1]:** I'm not sure how to word this, but EU legislation is now gone?

All employees and Members will comply promptly with any request made by the Group Head of Corporate Support for information or documentation in relation to any direct or indirect tax matters that may impact upon the proper administration of such matters including;

- Pay As You Earn income tax (PAYE)
- National Insurance Contributions (NIC)
- Value Added Tax (VAT)
- Construction Industry Tax (CIS)
- Corporation Tax

**5.5 INSURANCE**

The Group Head of Corporate Support will arrange for all insurance covers and negotiate settlement of all claims made through such insurances in consultation with relevant officers of the Council.

CMT and Group Heads will ensure prompt notification to the Group Head of Corporate Support:

- of any incidents that may give rise to a claim against the Council the costs of which may be indemnified by the Council's insurances,
- of loss of or damage to any Council property or asset under its ownership, responsibility, custody or control,
- of any change in risk or ownership of or responsibility for any asset or property.

**6. EXTERNAL ARRANGEMENTS**

**6.1 EXTERNAL FUNDING**

**Why is this important?**



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External funding is a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Council. Local authorities are increasingly encouraged to provide seamless service delivery through working closely with other agencies and private service providers. Funds from external agencies provide additional resources to enable the Council to deliver services to the local community. However, in some instances, such funding is linked to tight specifications and may not link to the Council's aims and objectives.

**Responsibilities of the Group Head of Corporate Support**

- To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.
- To ensure that the match-funding requirements are considered prior to entering into the agreements and that future revenue budgets reflect these requirements, or an exit strategy is agreed.
- To ensure that audit requirements are met.
- To ensure that all claims are submitted by the due date.
- ~~To action virements for grants which have been awarded, in relation to approved bids. Virement is not required if the Council is applying funding in accordance with pre-set conditions.~~
- To include progress updates on significant approved bids as part of the regular reporting process as and when required.

**Responsibilities of CMT/Group Heads**

- To ensure that the Group Head of Corporate Support is advised, at the earliest possible time, of all applications for external funding.
- To submit reports to the relevant Committee which are sufficiently developed to enable the use of the funds without any further reporting requirement.
- To give the Group Head of Corporate Support a copy of all approvals received from government departments or other sources of external funds.
- To ensure that all supporting information is kept to support claims for funds.
- To ensure that the project progresses in accordance with the agreed conditions and that all expenditure is properly incurred and recorded.

**Key controls**

The key controls for external funding are: -

- (a) To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood;
- (b) To ensure that funds are acquired only to meet the priorities approved in the policy framework by the Council;
- (c) To ensure that any match-funding requirements are given due consideration prior to entering into long-term agreements and that future revenue budgets reflect these requirements, or an exit strategy is agreed;
- (d) To ensure risks are identified, within acceptable limits and are capable of being managed;
- (e) To ensure monitoring and reporting frameworks are established and followed;  
and

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- (f) To ensure adequate controls and governance arrangements are in place and are followed.

**7. GRANTS TO EXTERNAL ORGANISATIONS (INCLUDING RATE RELIEF)**

**Why is this important**

Local groups and organisations make a significant contribution to the local community. However, this contribution is difficult to quantify in financial terms and it is therefore particularly important that any financial support the Council provides to these groups follows a clear and transparent process.

**Responsibility of CMT/Group Heads**

- To ensure that any grant payments and any ~~awards of~~ discretionary ~~awards~~ ~~business rate relief~~ are made in accordance with the procedure set out below and can be met from within existing budgetary provision. In addition, for any award of discretionary business rate relief, regard must be had for the implications for West Sussex County Council in respect of their share of Business Rate income.
- To ensure that an up to date Grants Register is maintained on the website to include;
  - Source of funding
  - Grants awarded
  - Any declaration of interest by Members and Officers

**Procedure for making Grant payment and awarding discretionary business rate relief**

Grant allocation to be based on criteria agreed in advance by relevant committee

~~Grant allocation to be based on criteria agreed in advance by relevant committee.~~

Subject to these criteria allocations to be made on the following basis:-

- |   |  |
|---|--|
| • Up to £510,000 (per organisation/ <del>individual</del> ) | - Relevant Director, Chief Executive or Group Head |
| • Over £510,000   | - Relevant committee                               |

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**APPENDIX 1: SCHEME OF VIREMENT AT A GLANCE (SECTION 3.2)**

Type of Virement Delegation Limit	General (3.2.1)	S106 (3.2.2)	Contingency (3.2.3)	Reserves (3.2.4)	Supplementary Estimates (3.2.5)
SMT	£50k	£25k	n/a	£100k	
Group Head of Corporate Support (s151 Officer)	£50k+		Technical virement (s151 Officer) allowed when fully costed and compliance with policy		S151 Officer may determine that an amount <£50k requires Council approval due to policy and/or on going resource implications
Relevant Committee	£100k+	£25k+		£100k+	
Policy & Finance Committee					All
Full Council					All

**Note:**

*It is essential that these limits are read in conjunction with the Financial Rules as contained in Part 6 of the Constitution as there are certain circumstances where virement is restricted or not permitted.*

*The following reports are available when reporting to the relevant committee:*

- *Individual Item (Committee Report)*
- *Budget Variation Report (Standard item on Committee Agendas for single or grouped requests – this can be a verbal update)*
- *Budget Monitoring Report*

*All virements and reports with financial implications require the notification of Financial Services at the earliest opportunity to allow assessment of the feasibility of savings and for compliance with the Financial Rules and Statutes.*

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# Public Document Pack

Subject to approval at the next Constitution Working Party meeting

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## CONSTITUTION WORKING PARTY

7 February 2022 at 6.00 pm

Present: Councillors Bower (Chair), Cooper (Vice-Chair), Chace, English, Haywood and Yeates

Councillor Pendleton was also in attendance for part of the meeting.

14. APOLOGIES FOR ABSENCE

Apologies for Absence had been received from Councillors Bennett and Daniells.

15. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

16. MINUTES

The minutes of the meeting of the Working Party held on 1 November 2021 were approved by the Working Party as a correct record with the Chair confirming that these would be signed at the first opportunity made available to him.

17. 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

There were no items for this meeting.

18. CONSTITUTIONAL AMENDMENT - SITE VISITS PROTOCOL FOR PLANNING APPLICATIONS

The Chair confirmed that this report had been considered by the Planning Committee on 2 February 2022.

The Interim Group Head of Law & Governance and Monitoring Officer then introduced this report. He outlined that the issue of Planning Committee Site Visits had caused some concern to some Planning Committee Members for a while and so a review of the current protocol in place had been undertaken. A report had been taken to the Planning Committee to allow comments or concerns to be forwarded to this Working Party prior to recommendations being forwarded to Full Council.

The Working Party was informed that the Planning Protocol currently in the Constitution at Paragraph 13.0 [Site Visits] provided some guidance as to how site visits should be conducted. It had been felt that this guidance was not sufficiently clear enough for Members and Officers in relation to various issues and so this was why this version of the protocol had been brought forward. The key item to bring Members' attention was the fact that a site visit was just that - a visit, it was not a committee meeting and therefore there were no rights to speak as such. Members who wanted to

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visit the site on their own could do, but the need to request a site visit had to be clearly set out and this was why the protocol already in place had been strengthened to provide more operational input as to how a confirmed site visit should work.

The revised site protocol had been considered by the Planning Committee which had been in general agreement with the proposed changes.

The Chair then invited comments/questions from Members and these have been set out below:

- Would Ward Members be able to attend as had been the case in the past? The Interim Group Head of Law & Governance and Monitoring Officer explained that as this was a site visit and intended for the benefit of the Committee Members, the role of the Ward Member in making any representations was not necessary for a site visit. The purpose of the visit was to allow Members of the Committee to obtain more information about the site in question and any specific issues raised at Committee when the site visit was convened.
- The Chair outlined that the current protocol did permit attendance by local Ward Members and that custom and practice had also been to allow one representation from the appropriate Parish or Town to also attend. They could ask questions and make representations but were not allowed to take part in any discussion at the site visit. Site visits in the past had effectively been Sub-Committees that then made a recommendation to the Committee. Pre-Committee site visits could not make recommendations, these were for information only.
- The Chair sought clarification that the revised protocol meant that the site visit would not be making any form of recommendations to the Committee. This was confirmed.
- Clarification was also sought as to whether the attendance of a Town or Parish representative should be included in 13.4 of the Constitution. It was explained that Town or Parish Councils may choose to do their own site visit under their own rules as part of their consultation on an application before the application was considered by the District Council.
- Looking at the draft protocol proposed, point 6 did confirm that one representative from the relevant Town/Parish Council would be invited to attend but that their attendance would be as an observer with no statements being able to be made. It was felt that this should be added to the existing Constitution at 13.4. The Interim Group Head of Law & Monitoring Officer provided advice. His view was that the site visit was a visit for the District Council only. It was not necessary for a representative of the Town/Parish to be invited. Based on this advice, it was confirmed that Point 6 of the new protocol be removed for the reasons already explained.

As there were no further requests to speak on this item, the Chair confirmed that he wished to put to the vote the removal of Point 6 in the new protocol. Councillor Cooper proposed and this was seconded by Councillor Chace. Having conducted a vote, the proposal to remove Point 6 from the new Protocol was LOST.

The Chair then returned to the substantive recommendations and the Working Party

#### RECOMMEND TO FULL COUNCIL

That the amendments in Appendix 2 of the report be approved subject to 13.4 in the existing Constitution being updated to reflect Point 6 in the updated Protocol.

19. CHANGES TO THE TERMS OF REFERENCE OF THE PLANNING POLICY COMMITTEE - PART 3 - RESPONSIBILITY FOR FUNCTIONS - BIODIVERSITY NET GAIN

The Chair invited the Director of Place to present this item. He reminded the Working Party that when it had discussed this as its last meeting, there had been much debate over where Biodiversity Net Gain should be placed within the new Committee structure.

It was appreciated that this was a complex issue as biodiversity as an issue had many strands sitting within it. There was work that the Council did from a general biodiversity point of view such as tree planting and other matters which sat under the Environment Committee's remit. However, Biodiversity Net Gain was a very specific matter relating to planning in particular. The Director of Place explained how this would be taken forward and would come into place from November 2023 with many developers and Councils already considering how they should apply Biodiversity Net Gain and further details were supplied in terms of how this could be taken forward in line with legislation. This would mean that there would be a lot of work that would need to be undertaken ahead of November 2023 and this was why it had been suggested that Biodiversity Net Gain be added to the responsibility for functions of either the Planning or Planning Policy Committee.

The Chair, also as the Chair of the Planning Policy Committee, confirmed that he saw sense in adding Biodiversity Net Gain to the functions of the Planning Policy Committee but that the name of that Committee should not be changed to accommodate this function. The issue was then put to the Working Party to discuss and debate.

There were some Councillors who put forward arguments for this to be part of the functions of the Planning Committee explaining that Biodiversity Net Gain could become a condition of planning. The Director of Place outlined that many of the regulations around this would be coming forward over the coming months and ahead of November 2023. He stated that there was an equal argument, at this time, to state that

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this was a matter for the Planning Committee but that it was also a matter for the Planning Policy Committee.

The concern of one Member was that Biodiversity Net Gain could fall under other Committee's remits but that the solution was for the Planning Policy Committee to make Policies for forwarding onto Planning or any other relevant Committee.

The Interim Group Head of Law & Governance commented stating that between now and November 2023, the Council would receive many sources of information in terms of how this would need to be dealt with and taken forward. Between now and when Biodiversity Net Gain would be adopted, it was necessary for the Council to assign a Committee to deal with and develop this function. In practical terms, it was his view that it was not appropriate for the Planning Committee to undertake this task.

Following further discussion, the Chair confirmed that he would be comfortable for this to fall within the remit of the Planning Policy Committee.

The Working Party

#### RECOMMEND TO FULL COUNCIL

That the specific functions for the Planning Policy Committee be updated to include Biodiversity Net Gain at Part 3 of the Constitution – Responsibility for Functions.

#### 20. INTERIM GROUP HEAD OF LAW & GOVERNANCE & MONITORING OFFICER'S UPDATE REPORT

The Interim Group Head of Law & Governance provided a verbal update to the Working Party on future work items.

#### 21. DATE OF NEXT MEETING

The Working Party noted the date of its next meeting as Monday, 11 April 2022 at 6.00 pm, this would be held virtually using Zoom.

(The meeting concluded at 7.54 pm)



Paragraphs 13.1 to 13.5 to remain unchanged as in the Constitution

### **13.0 COMMITTEE SITE VISITS**

13.1 Committee site visits do not constitute formal meetings of the Council but rather their purpose is to enable members to observe the site and to gain a better understanding of the issues. Non-attendance of a site visit will not preclude a member from discussing and voting on the relevant matter at the Planning Committee meeting. Notwithstanding this, members should make every effort to attend where it is considered that a site visit is necessary and appropriate. In addition, any relevant information which members have gained from the site visit will if necessary, be reported back to the Committee so that all members have the same information.

13.2 Site visits should only be conducted where the benefit is clear and substantial. Officers will have visited the site and assessed the scheme against policies and material considerations already. A site visit should not take place unless:

- (i) There are particular site factors which are significant in terms of the weight attached to them relative to other factors if they would be difficult to assess in the absence of a site inspection; or
- (ii) There are specific site factors and/or significant policy or precedent implications that need to be carefully addressed; or
- (iii) The impact of the proposed development is difficult to visualise; or
- (iv) The comments of the applicant and/or objectors cannot be expressed adequately in writing; or
- (v) The proposal is particularly contentious

13.3 A record should be kept of the reasons why a site visit is called.

13.4 Members of the Planning Committee, one representative from the appropriate Town or Parish Council and the local ward member(s) and officers should participate in site meetings. A member who is not the local ward member but is able to demonstrate to the satisfaction of the Group Head Planning in consultation with the Chair of the Planning Committee prior to the site meeting taking place that the application will have a significant impact on their ward may be permitted to attend the site meeting.

Paragraphs 13.5 to 13.8 to be removed and replaced with:  
Procedure On Site:

The following procedural rules will be observed in the holding of all Planning Committee (“Committee”) Site Visits:

1. Officers will arrange the Site Visit in accordance with relevant parties. There is no right to enter on private land without permission of the land owner. Where appropriate, officers will obtain permission from the land owner or their agent for those invited to attend the Site Visit to enter the land. If permission is not given the Members and Officers and other interested parties to enter, the site will have to be viewed from the public highway/areas. **The applicant may be present on site but should be kept a discreet distance away from the Planning**

Committee Members and officers so that they cannot be a party to any comments or questions raised.

2. The Chair (or Vice Chair) will control proceedings throughout.
3. The Chair will explain the purpose of the Site Visit is to obtain information relevant to the determination of the application. They will summarise the proceedings and the constraints as set out below.
4. The Chair will introduce the Planning Officer who will describe the proposals to Members with reference to features on the ground and the submitted plans and summarise the relevant issues and material considerations.
5. Other officers may be present to provide other specialist/expert advice/information where relevant (eg Highways Engineers or Environmental Health Officers).
6. One representative from the relevant Town/Parish Council will be invited to attend. However, their attendance is merely in an observing role. No statements or representations shall be made.
7. At no point during the site visit will debate or comment on the planning merits or otherwise of the proposal be permitted, as the proper time for such debate/comment is at the relevant meeting of the Committee. **Members should not express opinions or views at the site meeting but may ask officers present questions or seek clarification from them on matters which are relevant to the site investigation.**
8. Ward Councillors will be permitted to make representations at the relevant meeting of the Committee.
9. During the Site Visit no separate discussions regarding the application must take place with officers or Members and either applicants, objectors or supporters.
10. No hospitality will be accepted by officers and Members from the applicant or any other interested party present at the Site Visit.
11. The Chair (or Vice Chair) will conclude the Site Visit. No indication of the views of Members or the likely outcome of the Committee's deliberations will be given. To do so might imply that a Member's mind is already made up.
12. If Members require further information or clarification of any aspect of the development, the officer(s) attending the Site Visit will be asked to ensure that such information is available by the time the application is considered by Members at the relevant meeting of the Committee.

**A copy of this Protocol will be issued to all those Members attending the Site Visit**

# Public Document Pack Agenda Item 10

Subject to approval at the next Economy Committee meeting

543

## ECONOMY COMMITTEE

29 March 2022 at 6.00 pm

Present: Councillors Cooper (Chair), Mrs Cooper (Substitute for Gunner), Dixon, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates.

Councillors Coster and Goodheart were also in attendance at the meeting.

Note: Councillor Seex was absent from the meeting during the final vote taken on Minute 790.

### 776. APOLOGY FOR ABSENCE

An Apology for Absence had been received from Councillor Gunner.

### 777. DECLARATIONS OF INTEREST

Councillor Dixon declared a personal interest in Agenda Item 14 [Disposal of London Road Car Park and Lorry Park, Bognor Regis] as an employee for the Royal Mail that used the London Road car park and as a member of the Bognor Regis Civic Society. Councillor Dixon also requested that all votes this evening be recorded votes.

Councillors Walsh and Northeast both declared Personal Interests in Agenda Items 6 [Littlehampton Public Realm Improvements – Phase 1 (Terminus Road) Contractor Appointment], Item 7 [Tourism Marketing Campaign], Item 8 [Consideration of Options for Pier Road, Littlehampton], and 10 [Installation of Additional Beach Huts in Littlehampton, West Sussex] both as Members of Littlehampton Town Council. Councillor Walsh also declared an interest in these items as a Member of West Sussex County Council.

Councillor Stanley declared a Personal Interest in Agenda Item 14 [Disposal of London Road Car Park and Lorry Park, Bognor Regis] as a member of Bognor Regis Town Council as it had made representations on this issue.

The Director of Place declared a Personal Interest in Item 9 [Closure of Trisanto development Corporation Ltd] as he was currently the Council's Director of this company.

### 778. MINUTES

The minutes of the last meeting of the Committee held on 19 January 2022 were approved as a correct record and were signed by the Chair.

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

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

780. PUBLIC QUESTION TIME

The Chair advised members that there had been no public questions submitted for this meeting.

781. LITTLEHAMPTON PUBLIC REALM IMPROVEMENTS - PHASE 1 (TERMINUS ROAD) CONTRACTOR APPOINTMENT

The Director of Place provided Members with an overview of the report highlighting that it was pleasing to note that West Sussex County Council (WSSCC) had agreed to provide funding for Phase 1 (Terminus Road) of the improvements works. The committee was now being asked to enter into a collaboration agreement to undertake this phase of the works and to appoint the construction contract for the delivery of the regeneration works to Edburton by way of a contract variation. Delegated authority was also sought to be given to the Director of Place to agree all approvals within the allocated budget of £1.25 m.

The Chair then invited questions from the Committee. Members agreed that this was long overdue good news in that the Council had achieved this funding from WSSCC for the phase 1 works. These works had always featured in the original plans but due to a shortage in funding in the development of the scheme, had been paused. The position now reached had been achieved due to much collaborative funding from within WSSCC and internal lobbying which was good news for businesses; residents of the town and the visitor economy too.

Various questions were then asked by the Committee which were responded to at the meeting with some questions being confirmed would be responded to outside of the meeting.

The Chair then read out the recommendations which were then proposed by the Chair, Councillor Cooper and then seconded by Councillor Walsh.

A recorded vote was firstly undertaken on Recommendation (1). Those voting for this recommendation were Councillors Cooper, Mrs Cooper, Dixon, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates [11]. This recommendation was declared as being approved.

A recorded vote was then undertaken on Recommendations (2), (3) and (4). Those voting for the recommendations were Councillors Cooper, Mrs Cooper, Dixon, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates [11]. Having been declared as approved,

The Committee

RESOLVED - That

- (1) Agreement be given to a variation to the existing construction contract with Edburton for the delivery of phase 1 (Terminus Road, Littlehampton) as recommended by a procurement report (appendix 1); subject to Full Council approval of recommendation 2.

The Committee also

RECOMMEND TO FULL COUNCIL - That

- (2) It accepts and draws down £1.253m from WSCC to complete the phase 1 (Terminus Road, Littlehampton) works and add the expenditure and funding to the 2022/23 Capital Programme;
- (3) It approves authority to enter into a collaboration agreement with WSCC that sets out the billing regime for the funds in (1) above and approves the drawdown and expenditure of external funding, and that the terms and conditions are agreed by Legal Services and in consultation with the Monitoring Officer;
- (4) As per Part 4 – Officers Scheme of delegation (4.3 to 4.7 refers) and under Part 7 of the Council’s Constitution, delegated authority be given to the Director of Place to plan, draw down and make budgetary decisions on the expenditure on this phase in accordance with the terms and conditions and in consultation with the Chair of the Economy Committee.

## 782. TOURISM MARKETING CAMPAIGN

The Group Head of Economy provided members with a report requesting the Committee to approve the commissioning of a tourism marketing ‘Destination Awareness Campaign’ to support and promote the Arun visitor economy.

The Chair invited questions. Comments made by Members were that they very much supported the progression of this work as it would promote the district’s three destination sites and other areas to a wider audience.

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A range of questions were then asked which were responded to at the meeting by The Group Head of Economy. These have been summarised below:

- There was a lack of holiday accommodation and holiday parks in the district, could this be addressed? It was explained that an extensive accommodation study was being prepared which would be an item for a future meeting of the committee.
- Was the big wheel coming to Littlehampton this year as this was very positive PR for Arun? It was agreed that a written update would be provided to councillors.
- A big issue identified by numerous Councillors was that the name 'Arun' did not relate to a location or place, just a river and so it was difficult to market. It was explained that by supporting the proposal, the council would have a professionally delivered and targeted digital marketing campaign. The experts that would deliver the campaign would identify proposals about labelling destinations and what the offer was for the visitor sitting behind destinations. It would be necessary to come up with creative ways to work around this issue which would be addressed as part of the project.
- The cost of the campaign was discussed and explained.
- How would key stakeholders be involved and how would the campaign fit in terms of masterplans for each of the towns? It was explained that this would very much be left to the experts running the campaign to explore and that the council would be guided by their recommendations. In terms of stakeholder engagement, generally the council was working well with all town councils and other partnerships. The campaign would be seen as a major way to promote the towns in a positive and big way which would feed into master plans.
- The new web portal Sussex by the Sea was praised as it provided a simplified and easy to navigate platform to promote primary tourism destinations in the district. It was outlined that the campaigners might come up with other interesting options to direct visitors to locations and sites.
- Would visitors be able to access the sites through any other entry points – a similar response to that provided above was given.
- Could the Bognor Regis beach webcams be included into this package as they attracted high hit numbers? It was explained that all options would be considered by the campaigners
- It was vital to market the entire area to entice visitors to stay in the area for more than just a one or two days providing information to other attraction areas and their offers

The recommendation was then proposed by Councillor Mrs Cooper and seconded by Councillor Dixon.

As a recorded vote had been requested, those voting for it were Councillors Cooper, Mrs Cooper, Dixon, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates.

The Committee

**RESOLVED**

That the proposal to commission a tourism marketing 'Destination Awareness Campaign' to encourage the development of the district as a key tourist destination be approved.

**783. CONSIDERATION OF OPTIONS FOR PIER ROAD, LITTLEHAMPTON**

The Business Development Manager presented this report reminding members that Pier Road had been closed to traffic for the past two summers using emergency powers relating to Covid-19. The closure had been generally welcomed by the public but had not been as popular with some of the local businesses in Pier Road.

Members had suggested that Pier Road again be closed for this summer season and in response the report outlined the reasons why officers felt that this was not a feasible proposal. The report was asking the committee to consider undertaking wider consultation during summer 2022 regarding future options for the road closure, and if agreed, whether these should be partial, full, permanent or seasonal.

A variety of questions were asked by members all stating that this was an extremely important report. Members felt that a real opportunity had been missed in terms of the pending 2022 summer season. Reference was made to when the first road closure had taken place in the summer of 2020 during the pandemic. Initially this had seen to be very much welcomed by businesses and residents and had been a real opportunity to test the closure out. The response had seen overwhelming public support. The businesses that had wished to make something from the closure had and this had been the case for the second closure. It was accepted that there were one or two business who did not like the change and preferred to continue with no closure sating that they liked the opportunity for cars to be able to park down the road allowing customers to pop in and out of shops and cafes, despite the double yellow lines prohibiting this. It had been felt that the closure had brought great advantages such as increased road safety and that it really had showcased the public investment in the riverside walkway and other attractions near the river. All of these positives would now be missed with no closure possible for 2022. Residents and visitors to the locality had come to expect it and would be visiting expecting it to be in place and would be very disappointed. Although what was now being proposed was welcome, it was felt to be too little too late missing the momentum of a whole season's closure.

Members confirmed that they were very much in favour of a seasonal closure only and that this should be from Easter to September and were openminded about what happened outside of the summer season. It was agreed that the council, the town council and individual councillors should promote and encourage a positive uptake of

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the closure and so they welcomed the proposals for the consultation but did not accept including as an option 'to do nothing'. The need to encourage a favourable uptake and to promote the advantages of a seasonal closure with those businesses that had not supported it in the past was vital and it was felt that more engaging dialogue should be undertaken using the Traders Partnership to positively sell the benefit that the closure had brought in previous years. It was hoped that this would encourage further support.

Looking ahead, and reflecting on the past, traffic signage and barriers needed to be improved using quality fitments. It was hoped that the drawings could be commissioned as quickly as possible to avoid any further delay.

The chair summarised the debate stating that it was hoped that all businesses, following the consultation and extended dialogue would respond positively to the consultation.

Following some further discussion, Councillor Walsh then proposed the recommendations which were then seconded by Councillor Edwards.

As a recorded vote had been requested, those voting for it were Councillors Mrs Cooper, Cooper, Dixon, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates.

The Committee

RESOLVED - That

- (1) Drawings for the 3 options at 2.2 in this report be commissioned;
- (2) Public consultation on these options as well as the option to 'do nothing' be consulted upon during summer 2022; and
- (3) A report containing the details and outcome of the consultation be brought to this Committee later in the year for further decisions to be made.

#### 784. CLOSURE OF TRISANTO DEVELOPMENT CORPORATION LTD

The Director of Place presented this item advising members that this report followed a previous report presented to the committee on 8 June 2021 when it had been resolved that the business case and risk register should be updated to confirm whether the council wished to invest in the growth of the company or whether the company should be formally closed.

Since that meeting, the council had commissioned Savills to undertake an outline business case. The business case undertaken had been attached to the report as Appendix A and had focused on some key themes and had suggested three options in terms of how a company might be used by the council. It was highlighted that given the way the market in Arun was at the current time, there were significant risks in the



council trying to insert itself in a very competitive housing market. The most logical step to take was the closure of the Company, however, this did not prevent the council from opening another company in the future, if there was the need to do so.

Before inviting questions from members, the chair reminded the committee that the council had explored many options in the past and now was time to make a final decision on the options being presented to the committee.

As part of the debate, some Councillors felt to close the company was a premature step to take. This was partly as the council had a new Chief Executive who was developing new strategies for the council. It was felt that the council should be maximising its assets where it could. In view of this, the option to continue with the Company for a little longer with it lying in a dormant state could be the most appropriate action to take. Although there were other councillors who liked the idea of keeping all options open, members needed to be reminded that the company was now in its third administration and had not been utilised.

Questions were asked about the other items for discussion on this agenda and whether these might need a company like Trisanto in the future. It was confirmed that the council had sought advice on exactly that point. The company was not required to deliver the outcome that was being proposed for other items on the agenda.

Following further discussion, Councillor Cooper then proposed the recommendation which was seconded by Councillor Edwards.

As a recorded vote had been requested, those voting for the recommendation were Councillors Mrs Cooper, Cooper, Edwards, Seex, Staniforth (5). Those voting against were Councillors Dixon, Roberts, Stanley, Walsh and Yeates (4). Councillors Northeast and Yeates abstained from voting (2).

The Committee

RESOLVED

That the closure of the Trisanto Development be approved, and appropriate actions taken to give effect to this decision.

785. INSTALLATION OF ADDITIONAL BEACH HUTS IN LITTLEHAMPTON, WEST SUSSEX

The Committee received a report from the Property, Estates and Facilities Manager setting out a business case for the installation of additional beach huts within Littlehampton. Details surrounding the extensive consultation undertaken as part of this exercise were explained together with the financial details and implications.

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The report set out the background to this project reminding members that at its meeting held on 12 October 2021, the Committee in considering the beach hut review had instructed officers to proceed to review and bring back to it proposals for the siting of additional beach huts at the earliest opportunity. This was that report. Prior to that, the Council had previously submitted a planning application for the siting of an additional 20 huts in March 2021, on the seafront in Littlehampton, but the Committee had voted against the planning officer's recommendation to approve that application on the grounds that the application contained a lack of accessibility detail and that the development would affect the visual amenities of the locality in conflict with planning policies.

To address the past planning application refusal the report recommended to reduce the number of planned beach huts to install from 20 down to 17. It was further proposed to relocate the bank of 10 beach huts proposed on the western end of the existing run of beach huts to the eastern end. Having consulted with the council's coastal engineers on this proposal it had been confirmed that the shingle in the eastern location was unstable and was not considered to be a viable option due to the risk of sea damage.

It was confirmed that a further report would be brought to the committee in the next twelve months outlining further beach hut provision options and how accessibility needs would be addressed.

The Committee was being asked to approve proceeding with the procurement and installation of 17 new composite beach huts in locations set out in Appendix 1 to the report. Consent was also sought to proceed to submission of a suitable planning application and to procure the manufacture and installation of beach huts on site. This would ensure that the council secured additional leaseholds and increased service revenue, working towards meeting the known customer demand for the area.

Having received the officer's presentation, a lengthy debate then took place and varied questions were asked by members.

Concerns were again raised on the location of the beach huts and why these additional huts could not be located elsewhere in the district. It was felt that the proposed location was already at full capacity with beach huts. Members confirmed that they were unhappy with the proposals for several reasons. Firstly, they had been told that it was impossible to have more beach huts towards the eastern end due to unstable shingle, however the western end of the beach which was stable had not been considered. To place 7-8 huts there would be preferable. Another major issue of concern was that the proposals did not include plans to make the huts wheelchair friendly and disabled access was vital as the council needed to be compliant with disability legislations. These views were agreed by the Committee.

Following further discussion, Councillor Walsh proposed an amendment that disabled access be included within the recommendation.

In response, the Property, Estates & Facilities Manager explained how turning the huts into huts with disabled access would cause countless other issues. Reassurance was provided in that work which was underway for all future huts to be installed in other locations would have disabled access included. In response, various Councillors spoke in support for these huts to have disabled access and that this was a need in great and continuing demand. The committee firmly insisted that all new huts should now in the future be built considering all accessibility and sustainability standards.

The Director of Place then drew Members' attention to the map on page 73 of the agenda, highlighting that if members wanted to see some of these units delivered as accessible, it would be easier to achieve this where there could be a block of new accessible huts. The sacrifice might be that instead of providing 7 huts at this location it may need to reduce to 5 due to changes in design and logistics. The costs as set out in the report, would also be expected to change. The Committee was asked if it wanted Officers to take this change away to work on prior to a planning application being submitted? It was added that the new location highlighted, was also in close proximity to the car park, public conveniences and another café, which were positives.

Following further discussion, Councillor Walsh then proposed an amendment to Recommendation 1 which was seconded by Councillor Staniforth. The amendment is set out below with additions shown in **bold** and deletions shown using ~~strike through~~:

- (1) Approves proceeding with the procurement and installation of **up to 17**, on the new composite beach huts including supporting bases in the locations set out at Appendix 1 of this report, **subject to the provision of all beach huts in the most western new block being of an accessible design.**

The Chair then invited debate on this amendment which saw widespread support but a keenness from members to ensure that there would be no further delay in moving this project forward. Having asked further questions on the likely design of accessible beach huts and costings it was explained that they were a bespoke design. This change would require a new design, and this would impact the lead in time with members having to accept that another planning application would also have to be submitted. This would impact the delivery of the project, but the full extent of delay would not be known until discussions had been had with the manufacturers.

A recorded vote had been requested. Those voting for the amendment were Councillors Mrs Cooper, Cooper, Dixon, Edwards, Northeast, Roberts, Staniforth, Stanley, Walsh and Yeates (10). Councillor Seex abstained from voting.

The amendment was therefore declared as CARRIED.

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The Chair then returned to the substantive recommendations which were proposed by Councillor Cooper and were seconded by Councillor Staniforth.

A recorded vote had been requested. This applied to all three recommendations which were taken on block. Those voting for all three recommendations were Mrs Cooper, Cooper, Dixon, Edwards, Northeast, Roberts, Staniforth, Stanley, Walsh. (9). Councillor Seex voted against the recommendations.

The Committee, therefore

RESOLVED - That

- (1) It approves proceeding with the procurement and installation of up to 17 new composite beach huts including supporting bases in the locations set out at Appendix 1 of this report subject to the provision of all beach huts in the most western new block being of an accessible design;
- (2) Delegated authority be given to the Group Head of Technical Services, to enter into contract for the supply and installation of composite beach huts with the most economically advantageous contractor following the procurement exercise; and
- (3) Delegated authority be given to the Group Head of Technical Services to submit any necessary planning application(s) for the purpose of installing additional beach huts in Littlehampton.

786. RIVER ROAD GARAGE SITE, ARUNDEL, WEST SUSSEX

The Property, Estates and Facilities Manager presented a report setting out options available to the council in terms of how to proceed in respect of the future use of the council's freehold site in River Road, Arundel. A range of recommendations were being presented to the Committee to consider which were explained in detail. It was confirmed that full consultation had been undertaken with Arundel Town Council, ward members and the council's finance, planning and legal teams. All responses received had been set out in the appendices to the report.

The recommendations were requesting the committee to give approval for the council to proceed with Option 5, as set out in the Options Viability Appraisal at Appendix 1, which was to demolish the existing garages; reconstruct a single four bedroom dwelling for use as a holiday let, managed via a hosting company. The remaining recommendations were then read out to the Committee.

Members were reminded that a report on this proposal had been considered by the Committee on 12 October 2021 which had been deferred with a request that the matter be brought back to the committee considering further unspecified residential development in consultation with both local ward members and Arundel Town Council. In accordance with the committee's instructions, residential options had been explored and had been detailed as options 6 and 6a as part of the report [Appendix 2] and both had been disregarded as being non-viable for the reasons explained in the report.

Consultation with Residential Services to ascertain their interest in the site for potential social housing had been undertaken. Due to the restricted size of the site this option had been ruled out with the full detail of this being set out in the body of the report.

The resubmitted report and the viability appraisals incorporated revised costings ensuring the conclusions allowed for the considerable price increases taking place throughout the construction supply chain. Prices had been further revised to include for infrastructure the site was prepared to receive future electric charging points. Option 5 was considered the best option for the council as it supported the council's vision in respect of fulfilling Arun's economic potential and in respect of encouraging the development of the district as a key tourist destination.

A range of statements were made and questions asked. The proposal to proceed with Option 5 was seen as an interesting and exciting proposal which would boost the tourist economy in Arun and was seen as the best use of the site bringing in valuable revenue.

Looking at finances, had the council considered borrowing the money for this scheme instead of taking it out of valuable reserves? It was explained that the advice received from the Section 151 Officer was that it was preferable for a borrowing requirement of this scale to use reserves rather than borrow and incur interest charges. Questions were then asked as to whether underground parking had been considered and concern was expressed that a number of residents would now be losing something they had had use of for a while and so perhaps a gesture of goodwill should be extended to them such as 12 months free parking?

Debate then focused upon the projected annual letting and if this was achievable? It was confirmed that this was achievable and the accommodation would be of very high quality with the accommodation allowing a number of households to rent the accommodation. Some of the other options such as 5 were then debated and discussed.

The recommendations were then proposed by Councillor Cooper and seconded by Mrs Cooper.

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A recorded vote had been requested. The Chair confirmed that he would take an on block vote covering Recommendations (1), (2), (3), (4) and (6). Those voting for these recommendations were Councillors Mrs Cooper, Cooper, Dixon, Edwards, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates (10). Councillor Northeast voted against the recommendations.

The Committee

RESOLVED - That

(1) Approval be given for the Council to proceed with Option 5 as set out in the Options Viability Appraisal at appendix 1, namely, to demolish existing garages, reconstruct a single four bedroom dwelling for use as holiday let, managed via hosting company;

(2) It delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to enter into a hosting agreement with a suitable identified company following procurement in accordance with contract standing orders;

(3) It delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to commence procurement of construction management, planning services and construction main contractor to deliver the recommended development on site, including entering contracts as required in accordance with contract standing orders; and

(4) It approves for the Council to serve notice on the remaining licensees of the existing garages to gain vacant possession of the site.

6 it delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to submit any necessary planning applications for the purpose of achieving recommendation 1 above.

A recorded vote was then undertaken on Recommendation (5). Those voting for this recommendation were Councillors Mrs Cooper, Cooper, Edwards, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates (9). Councillors Dixon and Northeast voted against the recommendations.

The Committee then

RECOMMENDS TO FULL COUNCIL

That a supplementary estimate of £485,625 be included within the capital programme to carry out the demolition and replacement of the garages at River Road, Arundel with a holiday let property (option 5).

787. OUTSIDE BODIES

The Chair confirmed that there were no updates for this meeting.

788. WORK PROGRAMME

The Director of Place presented the draft work programme for 2022/23 to the committee.

The following suggestions were put forward for the new year's work programme:

- The creation of a section of a sandy beach [300 years] for Bognor Regis to boost the town's visitor market. Could a feasibility study be undertaken and reported back to the Committee? In response, Councillor Edwards, as Chair of the Environment Committee confirmed that this would be a matter for the Environment Committee to consider in terms of the many environmental impacts this would have in terms of tidal flows. The terms of reference of the Environment Committee included Foreshores and so this was an item for that committee to review and assess not the Economy Committee.

The Director of Place outlined to members that if they had new items for the work programme, could suggestions firstly be made to the Chair of the committee to allow discussions to take place with key officers to assess the implications of such work against resources available; the costs associated with that work and what consultation may be required. Such items would then be brought to the attention of the committee to debate and vote upon as to whether they would like officers to investigate further by supplying a report outlining the implications of the item.

- A request was made for a report on LUF progress at a future meeting. It was confirmed that the Levelling-Up Fund was the responsibility of the Policy & Finance Committee.

Following some further discussion around committee meeting date, the Committee then noted its Work Programme for 2022/23.

789. EXEMPT INFORMATION

Having been proposed by Councillor Edwards and seconded by Councillor Cooper,

The Committee

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RESOLVED

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

790. DISPOSAL OF LONDON ROAD CAR PARK AND LORRY PARK, BOGNOR REGIS [EXEMPT - PARAGRAPH 3 - THE SUPPLY OF GOODS AND SERVICES]

*(At the commencement of this item, Councillor Dixon redeclared his personal interest made at the start of the meeting).*

The Property, Estates and Facilities Manager presented this item outlining that the report sought to set out the expressions of interest/offers received for the council's freehold site following a recent public marketing exercise. The background to this item was also explained in detail.

As the report summarised all bids received, the Property, Estates and Facilities Manager worked through each of the options for consideration as set out in the report. He confirmed that further authority was sought to proceed with the disposal of this council freehold land in accordance with the recommendations received from the council's appointed commercial agent.

The committee then asked questions on the bids received which were responded to at the meeting.

Having drawn members' attention to the two recommendations proposed in the report, an amendment was put forward and explained by Councillor Dixon. This was to ask officers to assess Option 3.7 in more detail and three options forming this request were explained. This amendment was not seconded but a further amendment was immediately proposed by Councillor Stanley and seconded by Councillor Walsh. This amendment was broadly in line with Recommendation (1) in the report but asked the Group Head of Technical Services to enter a second and final bidding round with Option 3.1, 3.2 and 3.6 but that option 3.7 be added to this list and instead of the Group Head of Technical Services being given delegated authority to conclude all matters and enter into a contract to complete disposal of the site, that the matter be brought back to the committee for decision.

Lengthy discussion then took place on this amendment. A recorded vote was then undertaken. Those voting for the amendment were Councillors Cooper, Mrs Cooper, Edwards, Northeast, Roberts, Seex, Staniforth, Stanley, Walsh and Yeates (10). Councillor Dixon voted against this amendment.



The Chair then returned to the substantive recommendation. A recorded vote was undertaken. Those voting for the recommendation were Councillors Cooper, Mrs Cooper, Edwards, Northeast, Roberts, Staniforth, Stanley, Walsh and Yeates (9). Councillor Dixon voted against the recommendation.

The Committee

**RESOLVED**

That it delegates to the Group Head of Technical Services authority to enter into a second and final bidding round with bidder 1 (option 3.1), bidder 2 (option 3.2), bidder 6 (option 3.6) and bidder 7 (option 3.7) to explore and finalise the detail of their respective bid proposals, to further negotiate best and final position and to report back to this committee.

(The meeting concluded at 10.23 pm)

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# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF ECONOMY COMMITTEE ON 29 MARCH 2022

**SUBJECT: Littlehampton Town Centre Improvements – Phase 1 (Terminus Road)**

**REPORT AUTHOR: Richard Carden, Economic Regeneration Officer**

**DATE:** March 2022

**EXTN:** 01903 737522

**AREA:** PLACE

### **EXECUTIVE SUMMARY:**

This report seeks approval of the Economy Committee to accept and draw down funding from West Sussex County Council (WSSC) and enter into a collaboration agreement to undertake phase 1 (Terminus Road) works and to appoint the construction contract for the delivery of the regeneration works to Edburton by way of contract variation and to delegate authority for all approvals within the allocated budget of £1.253m to the Director of Place.

### **RECOMMENDATIONS:**

This report seeks approval of the Economy Committee to;

1. Agree to a variation to the existing construction contract with Edburton for the delivery of phase 1 (Terminus Road, Littlehampton) as recommended by a procurement report (appendix 1); subject to Full Council approval of recommendation 2.

The Committee is requested to recommend that Full Council:

2. Accept and draw down £1.253m from WSSC to complete the phase 1 (Terminus Road, Littlehampton) works and add the expenditure and funding to the 2022/23 Capital Programme
3. Approves authority to enter into a collaboration agreement with WSSC that sets out the billing regime for the funds in (1) above and approve the drawdown and expenditure of external funding, and that the terms and conditions are agreed by Legal Services and in consultation with the Monitoring Officer.
4. As per Part 4 – Officers Scheme of delegation (4.3 to 4.7 refers) and under Part 7 of the Council's Constitution, delegate authority to the Director of Place to plan, draw down and make budgetary decisions on the expenditure on this phase in accordance with the terms and conditions and in consultation with the Chair of the Economy Committee.

## **1. BACKGROUND:**

In 2016, and after extensive public consultation, designs were drawn up and approved by the Council for a five-phase town centre-wide public realm improvement scheme including new paving, lighting, planting and public art. The landscape designer was LDA Design who also designed the award-winning riverside walkway.

### Funding

In April 2019, the Council was awarded a Coastal Communities Fund grant of £2,452,295 for public realm enhancements for the High Street precinct and pavements/junctions to the railway station where a new gateway to the town is planned. These are Phases 1 and 2 of the five phase overall public realm scheme.

Coast to Capital Local Enterprise Partnership (LEP) Local Growth Fund awarded £564,274 for Phase 3 (Beach Road, East Street) of the scheme in October 2019.

Arun District Council and Littlehampton Town Council each contributed a further £200,000 to Phase 3 for its delivery.

This provided a total budget of £3,416,569.

### Procurement

The first round of tendering for the pre-contract design and construction was advertised in June 2020. This did not produce a viable tender bid within budget.

With the agreement of Members, the project was rescope to exclude the construction of Phase 1, from the railway station to High Street, to bring the project within budget. A second round of tendering was advertised in October 2020 inviting bids for the pre-contract design for all three phases, plus the construction elements for Phases 2 & 3.

The tenders closed on 2 November 2020. Edburton Contractors Ltd were appointed to undertake the pre-contract design work following evaluation of the tenders received. Their price fell within the allocated budget for this work and they provided the most economically advantageous tender. This supplier achieved the highest combined score for price and quality during the tender process and has now commenced construction works on Phases 2 & 3 of the scheme.

In February 2022 WSCC confirmed they would fund the phase 1 works to the sum of £1.253m, by way of a collaboration agreement with the Council, which sets out the payment terms and deliverables. The budget has been established based upon current market pricing and orders made for materials for the phase 2 & 3 works.

Officers received procurement advice (as per the attached report in Appendix 1) that recommended Edburton be appointed for phase 1 of the works for the following reasons;

- Time and cost involved in not having to retender the phase, to carry out a further competitive tender exercise;
- Continuity of design work by using the same contractor and design team (for detailed site design);
- Edburton are already familiar with the project requirement and have performed well

in the initial construction phases of the project;

- Efficiencies in carrying out the works (shorter programme) as the commencement of phase 1 will be concurrent with the final 3 months of the construction period of phases 2 & 3. This will also result in site set up cost efficiencies (use of existing site set up);
- Costs will be based on those agreed for Phase 2 and 3 construction, which are based on the stage 1 competitively tendered rates. Adjustments will be made as required for inflation, quantities and scope. Any packages will be competitively tendered (3 quotes) and benchmarked likewise with the Phase 2 and 3 tendered packages, before the addition of main contractor overhead and profit;
- Cost benefit of managing a single contractor on site (if works were to overlap on site);
- There is a risk of material prices increasing further, however by instructing the works through the existing phase 2 & 3 contract Edburton will be able procure materials more quickly helping to mitigate this risk;
- Lack of interest in the market due to location of the scheme as felt during original tendering and strong current market conditions with contractors being selective over tendering

## **2. PROPOSAL(S):**

It is proposed that the Council accept the funding from WSCC, enter into the collaboration agreement and appoint Edburton Contractors Limited by way of contract variation to the NEC 4 Option A contract to construct the Littlehampton Public Realm Improvement work (Phase1).

The Scope of works is detailed in the RIBA phase 3 report (appended), a brief summary of those works are below:

- Improved pedestrian crossings
- New signs & finger posts
- New kerbs where applicable
- Wider pavements (where applicable)
- New waste bins & recycling bins
- Upgrading lighting throughout scheme
- Enhancement of arrival experience at Littlehampton railway station to improve the initial impression of visitors
- Carriageway is to be narrowed to reduce vehicular dominance
- Footpaths to be widened to aid orientation and increase pedestrian comfort
- The taxi rank is rationalised and moved westwards.
- Tree planting and seating are proposed to enhance the arrival space at the station forecourt.
- Existing pedestrian crossing to remain
- Reconfiguration of junction

The phase 1 works are due to commence October 2022 and complete summer 2023.

**3. OPTIONS:**  
 a. To approve the recommendations as set out in this report.  
 b. To not approve the recommendations.

**4. CONSULTATION:**

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

<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	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 – The Council’s approved capital programme for 2022/23 will be increased by £1.253m for this scheme. The Council will receive £1.253m of funding from WSCC to fund the scheme resulting in no increase in funding being required from Arun District Council resources.
- Legal - The Council will commit to enter into a collaboration agreement to allow for funding for the project
- Sustainability – Sustainability is a factor when sourcing materials for the scheme and consideration of maintenance of the completed project.
- Asset Management/Property/Land – ADC will retain responsibility for Littlehampton Town Centre in conjunction with Littlehampton Town Council on completion and therefore its maintenance.

**7. REASON FOR THE DECISION:**  
 To progress construction plans for the Littlehampton Town Centre site in accordance with the project programme.

**8. BACKGROUND PAPERS:**

**Faithful & Gould Procurement Note attached**

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## Procurement Note (Phase 1)

**Project: Littlehampton Town Centre Improvements**

**Date: 12 November 2021**

### 01 Introduction

The following procurement note has been prepared on behalf of Arun District Council (ADC) in relation to Littlehampton Town Centre Improvements scheme that consists of regeneration to public realm areas in the Littlehampton town centre.

The aim of the Improvements is to improve the appearance of the town centre and surrounding public spaces, whilst increasing foot fall and trade to local businesses. The scheme consists of three phases:

Phase 1 (Terminus Road from the railway station to Arundel Road roundabout / The High Street).

Phase 2 (The High Street, east to west, vehicular and pedestrian sections).

Phase 3 (Beech Road, north to south, ending at the War Memorial roundabout).

This report summarises the tender process and evaluation of the two-stage tender relating to the provision of pre-contract design and construction for phases 2 & 3 and analyses the advantages of instructing the phase 1 construction as a compensation event (variation) to the Phase 2 and 3 contract.

### 02 Original Tender Exercise

The design and construction of Phases 2 and 3 were procured through a competitive two-stage design and build procurement route using NEC4 forms of contract. Included within this procurement exercise was the design only for Phase 1 (up to RIBA Stage 4). During the first stage of this tender process, the competitively tendering contractors were asked to price the following:

- Overheads and profits (oh&p);
- Project preliminaries;
- Surveys;
- The design of phases 1, 2 and 3;
- Construction design fees;
- 5Nr key paving type items that made up 50% of the construction costs.

The paving costs were obtained as these works could be undertaken direct by the contractors (instead of via subcontractors) and to give an element of overall contract sum cost certainly within the first stage tender returns. Whilst these rates would vary in accordance with further design and inflation, they nevertheless would form the basis of subsequent cost build ups for the paving rates.

As well as the cost component of the tender there was a quality questionnaire that accounted for 25% of the tender evaluation.

The contract for the works was awarded to Edburton Contractors Ltd for the following reasons:

- Their quality score of 80/100 at PQQ Stage 1 was the highest;
- Their anticipated tender sum after normalisation was the lowest and thus offered the best value.

### 03 Evaluation of Edburton Phase 2 and 3 Submission

Following the completion of RIBA Stage 3 and 4 design, Faithful+Gould (F+G) have reviewed the second stage tender submitted by Edburton, and agreed the contract sum for the Phase 2 and 3 construction works. These costs have been assessed to be in accordance with the competitively tendered rates from the first stage tender (see section 02) suitably adjusted for changes in programme duration (preliminaries), inflation to paving costs, and with subcontractor packages competitively tendered and with the agreed oh&p rate then applied to the selected packages.

### 04 Phase 1 Procurement Strategy

Primary options for main contractor procurement:

1. Competitive single stage tender and appointment under NEC4 contract;
2. Instruct as a compensation event (variation) under the Phase 2 and 3 NEC4 contract (construction works).

After review, it has been assessed that the best approach for ADC to procuring a main contractor for the construction of the phase 1 works, would be to instruct the work as a compensation event to the Phase 2 and 3 NEC4 contract.

The following advantages have been identified from this procurement route:

- Time and cost involved in not having to retender the phase, to carry out a further competitive tender exercise;
- Continuity of design work by using the same contractor and design team (for detailed site design);
- Edburton are already familiar with the project requirement and have performed well in the PSC phase of the project;
- Efficiencies in carrying out the works (shorter programme) as the commencement of phase 1 will be concurrent with the final 3 months of the construction period of phases 2 & 3. This will also result in site set up cost efficiencies (use of existing site set up);
- Costs will be based on those agreed for Phase 2 and 3 construction, which are based on the stage 1 competitively tendered rates. Adjustments will be made as required for inflation, quantities and scope. Any packages will be competitively tendered (3 quotes) and benchmarked likewise with the Phase 2 and 3 tendered packages, before the addition of main contractor oh&p;
- Cost benefit of managing a single contractor on site (if works were to overlap on site);
- There is a risk of material prices increasing further, however by instructing the works through the existing phase 2 & 3 contract Edburton will be able procure materials sooner helping to mitigate this risk;
- Lack of interest in the market due to location of the scheme as felt during original tendering and strong current market conditions with contractors being selective over tendering opportunities;

## 05 Evaluation of Edburton Phase 1 Submission

At the request of ADC, Edburton have issued to F+G a Phase 1 initial cost submission / estimate and after review, this has been used by F+G to develop a Phase 1 construction works cost estimate (Appendix 1).

Edburton have generally completed the detailed (RIBA Stage 4) design of Phase 1, with just consultations with Network Rail on the works to the Littlehampton railway station to be concluded. Once these and the design are finalised, Edburton would be able to submit to ADC a proposed contract sum and cost build up for review and agreement for the Phase 1 construction works.

The total construction cost of Phase 1 is expected to around 27% of the total construction cost of Phases 2 & 3.

If it is decided to instruct the phase 1 works as variation to the current contract, F+G will carry out analysis and bench marking exercises on the Edburton Final Phase 1 cost submission to ensure value for money.

## 06 Programme

Phase 2 and 3 Construction Programme

- Start - 10/01/2022
- Completion – 19/12/2022
- Sections 1, 2 and 3 completion 07/10/2022

Phase 1 Approximate Construction Programme (8 months, including a 2 week Christmas shut down)

- Start - 10/10/2022
- Completion – 30/06/2022

# Appendix 1

## Phase 1 Cost estimate

# Littlehampton Town Centre Improvements - Terminus Road

## Scheme Budget Estimate

NB: ALL RATES ARE INCLUSIVE OF OH&P

Item	200 Series - Site Clearance	Quantity	Unit	Rate	Amount	F+G Comments & Notes
200/01	Site Clearance General	3100	m2	£1.00	£ 3,100.00	
200/02	Take up or down and Remove to Contractors tip off site precast concrete kerbs (Any Type) including all concrete bedding and backing	400	m2	£12.00	£ 4,800.00	
200/03	Take up or down and Remove to Contractors tip existing surfaces	1300	m	£6.00	£ 7,800.00	
200/04	Take up or down and Remove existing street furniture	1	item	£5,000.00	£ 5,000.00	
<b>200 Series Value</b>					<b>£ 20,700.00</b>	
Item	300 Series - Street Furniture	Quantity	Unit	Rate	Amount	
300/01	Cycle Stands	15	no	£500.00	£ 7,500.00	Rates updated as per Ed Burtons latest submission
300/02	Bins	4	no	3425.41	£ 13,701.64	Rates updated as per Ed Burtons latest submission
300/03	Benches	3	no	£4,000.00	£ 12,000.00	Rates updated as per Ed Burtons latest submission
300/04	Wayfinding	1	Item	£4,000.00	£ 4,000.00	Rates updated as per Ed Burtons latest submission
<b>300 Series Value</b>					<b>£ 37,201.64</b>	
Item	500 Series - Drainage	Quantity	Unit	Rate	Amount	
500/01	Allowance for Drainage	1	Item	£20,000.00	£ 20,000.00	
<b>500 Series Value</b>					<b>£ 20,000.00</b>	
Item	700 Series - Carriageway Works	Quantity	Unit	Rate	Amount	
700/01	Paving / Surface Type 03; Dark grey asphalt, based upon 60mm binder and 50mm surface	1650	m3	£40.00	£ 66,000.00	Rates updated as per Ed Burtons latest submission
700/02	Paving / Surface Type 03; Buff asphalt, based upon 60mm binder and 50mm surface courses	90	m2	£100.00	£ 9,000.00	Rates updated as per Ed Burtons latest submission
<b>700 Series Value</b>					<b>£ 75,000.00</b>	
Item	1100 Series - Footways and Paved Areas (Including	Quantity	Unit	Rate	Amount	
1100/01	Footway comprising of 80mm Kellen Mix 2A on flexibale base	1100	m2	189.45	£ 208,395.00	Rates updated as per Ed Burtons latest submission
1100/02	Footway comprising of 80mm Kellen Mix 2A on flexibale base (X overs)	150	m2	296.61	£ 44,491.50	Rates updated as per Ed Burtons latest submission
1100/03	Footway comprising tactile paving	40	m2	192.42	£ 7,696.80	Rates updated as per Ed Burtons latest submission
1100/04	Precast concrete Conservation Kerb	400	m	100.22	£ 40,088.00	Rates updated as per Ed Burtons latest submission
1100/05	Precast concrete Conservation Channel	30	m	£80.00	£ 2,400.00	
<b>1100 Series Value</b>					<b>£ 303,071.30</b>	
Item	1200 Series - Road Signs and Markings	Quantity	Unit	Rate	Amount	
1200/01	Provisional Sum for Road Markings	1	sum	5000	£ 5,000.00	Rates updated as per Ed Burtons latest submission
1200/02	Provisional Sum for Traffic Signs	1	sum	10000	£ 10,000.00	Rates updated as per Ed Burtons latest submission
<b>1200 Series Value</b>					<b>£ 15,000.00</b>	
Item	1300 Series - Street Lighting and CCTV	Quantity	Unit	Rate	Amount	
1300/01	New Lighting Columns	8	no	£3,000.00	£ 24,000.00	
<b>1300 Series Value</b>					<b>£ 24,000.00</b>	
Item	1400 Series - Electrical Works	Quantity	Unit	Rate	Amount	
1400/01	Sum for Electrical works and Connections	1	Item	£10,000.00	£ 10,000.00	
<b>1400 Series Value</b>					<b>£ 10,000.00</b>	
Item	3000 Series - Soft Landscaping	Quantity	Unit	Rate	Amount	
3000/01	Trees and pits	4	no	3500	£ 14,000.00	Rates updated as per Ed Burtons latest submission
<b>3000 Series Total</b>					<b>£ 14,000.00</b>	
<b>Construction Sub Total #1</b>					<b>£ 518,972.94</b>	
<b>Unmeasured Items @ 5%</b>					<b>£ 25,948.65</b>	
<b>Construction Sub Total #2</b>					<b>£ 544,921.59</b>	
Item	100 Series - Preliminaries	Quantity	Unit	Rate	Amount	
100/01	Site Management	1	%	15.00%	£ 81,738.24	
100/02	Site Accommodation and Welfare including establish maintain and demobilise	1	Item	70,898.43	£ 70,898.43	
100/03	Traffic and Pedestrian Management	1	%	1.00%	£ 5,449.22	
100/04	Traffic Diversions	1	%	3.00%	£ 16,347.65	Have increased from 1% to 3% as may be more Traffic Diversions in this phase of the works
100/05	Site Hoardings and Fencing	1	%	1.00%	£ 5,449.22	
<b>100 Series Value</b>					<b>£ 179,882.75</b>	
<b>CONSTRUCTION TOTAL</b>					<b>£ 724,804.34</b>	

**Littlehampton Town Centre Improvements - Terminus Road**  
**Scheme Budget Estimate**

<b>Item</b>	<b>Other Project Costs - Scheme Related</b>	<b>Amount</b>
OPC/01	Allowance Service Diversion	£ 25,000.00
OPC/02	SSE Lighting approvals / supervision	£ 2,000.00
OPC/03	Pre commencement Trail Hole Investigations	£ 2,500.00
OPC/04	Addition Site Surveys Required	£ 10,000.00
OPC/05	Legal Agreements With Network Rail	£ 100,000.00
OPC/06	Drainage Repair	£ 3,500.00
<b>Other Project Costs Sub Total</b>		<b>£ 143,000.00</b>
<b>Item</b>	<b>Professional Fees</b>	<b>Amount</b>
FEE/01	Preliminary and Detailed Design	£ 35,000.00
FEE/02	Construction Supervision and PM	£ 65,000.00
FEE/03	ADC Internal PM Fees during Construction	£ 50,000.00
FEE/04	WSCC Highway s38/278 Fees	£ 30,000.00
FEE/05	TRO Fees	£ 5,000.00
<b>Professional Fees Sub Total</b>		<b>£ 185,000.00</b>
<b>OTH</b>		<b>£ 328,000.00</b>
<b>SCHEME COST ESTIMATE</b>		<b>£ 1,052,804.34</b>
<b>INFLATION ALLOWANCE @ 4.0% (assumed Q4 2022)</b>		<b>£ 42,112.17</b>
<b>RISK ALLOWANCE @ 5%</b>		<b>£ 52,640.22</b>
<b>OPTIMISM BIAS @ 5%</b>		<b>£ 52,640.22</b>
<b>ADDIT CONTINGENCY @ 5%</b>		<b>£ 52,640.22</b>
<b>GRAND TOTAL</b>		<b>£ 1,252,837.16</b>

## Appendix 2

# Cash Flow Forecast

**Project Title: Littlehampton Town Centre Improvements - Terminus Road Phase 1**

**Date: November 2021**

**INDICATIVE CASHFLOW FORECAST**

<b>£724,804</b>	Revised Contract Sum
<b>3%</b>	Retention %
<b>01/10/2022</b>	Date of Possession
<b>12</b>	Contract Period
<b>01/10/2023</b>	Date for Completion
<b>12</b>	Defects Period

Note	*1 - Inclusive of	£300,000	Advance payment for key paving materials
	*12 - Inclusive of	£10,872	for 1st release of retention
	*24 - Inclusive of	£10,872	for final release of retention

No.	*1	2	3	4	5	6	7	8	9	10	11	12*
Month	01/07/22	01/08/22	01/09/22	01/10/22	01/11/22	01/12/22	01/01/23	01/02/23	01/03/23	01/04/23	01/05/23	01/06/23
Valuation Cumulative (Gross)	£300,000			£328,000	£375,000	£434,000	£500,000	£567,000	£628,000	£679,000	£713,000	£724,804
Retention	£9,000			£9,840	£11,250	£13,020	£15,000	£17,010	£18,840	£20,370	£21,390	£10,872
Valuation Cumulative (Net)	£291,000			£318,160	£363,750	£420,980	£485,000	£549,990	£609,160	£658,630	£691,610	£713,932
Monthly Payment (Net)	£291,000			£27,160	£45,590	£57,230	£64,020	£64,990	£59,170	£49,470	£32,980	£22,322

No.	13	14	15	16	17	18	19	20	21	22	23	24*
Month	01/07/23	01/08/23	01/09/23	01/10/23	01/11/23	01/12/23	01/01/24	01/02/24	01/03/24	01/04/24	01/05/24	01/06/24
Valuation Cumulative (Gross)												£724,804
Retention												
Valuation Cumulative (Net)												£724,804
Monthly Payment (Net)												£10,872

No.	25	26	*27	28	29	30	31	32	33	34	35	36
Month	01/07/24	01/08/24										
Valuation Cumulative (Gross)												
Retention												
Valuation Cumulative (Net)												
Monthly Payment (Net)												

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# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF ECONOMY COMMITTEE ON 29 MARCH 2022

### PART A : REPORT

**SUBJECT: River Road, Arundel Garage compound site.**

**REPORT AUTHOR: Paul Broggi – Property, Estates & Facilities Manager**  
**DATE: 11 February 2022**  
**EXTN: 01903 737506**  
**AREA: Technical Services**

#### **EXECUTIVE SUMMARY:**

This report seeks to set out the options available to the Council and make recommendation on how to proceed in respect of the future use of the Council's freehold site in River Road Arundel

#### **RECOMMENDATIONS:**

##### **That Committee:**

- 1** - Approve for the Council to proceed with Option 5 as set out in the Options Viability Appraisal at appendix 1, namely, to demolish existing garages, reconstruct a single four-bedroom dwelling for use as holiday let, managed via hosting company.
- 2** - Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to enter into a hosting agreement with a suitable identified company following procurement in accordance with contract standing orders.
- 3** - Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to commence procurement of construction management, planning services and construction main contractor to deliver the recommended development on site, including entering contracts as required in accordance with contract standing orders.
- 4** - Approve for the Council to serve notice on the remaining licensees of the existing garages to gain vacant possession of the site.
- 5** - Recommend to Full Council that a supplementary estimate of £485,625 be included within the capital programme to carry out the demolition and replacement of the garages at River Road, Arundel with a holiday let property (option 5).
- 6** – Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to submit any necessary planning applications for the purpose of achieving recommendation 1 above.

## **1. BACKGROUND:**

**1.1.** The Council's site in River Road, Arundel currently houses nine concrete panel, cement fibre roofed garages and two external parking spaces. The garages are in very poor condition. Of the nine units two have been taken out of service due to defects. The roofing material used (fibre cement sheeting) contains Asbestos and accordingly repairs to this agreed and fragile roof are not considered practical or safe. Being old the garage size is small and users have difficulty in accessing with a standard modern family saloon. Officers consider the existing garages to be life expired and beyond economical repair. In addition, they are not considered to be up to the modern standard expected of a garage due to their size and design, accordingly they cannot command the premium rental levels that should be attainable in a town such as Arundel.

A report on this matter was previously considered by the Economy Committee on the 12 October 2021 (link included at Appendix 5). The matter was deferred with a request that a report comes back to the Economy Committee so that further options can be added for unspecified residential development, in consultation with the Town Council and Ward Members.

**1.2.** In bringing this report back in accordance with the Committee's instruction the viability and prices have been revised. This has been necessary as construction, labour and material prices have seen considerable increase and so the viability assessments completed are adjusted to reflect this change. In addition the revised budget allowance has also been included to ensure the provision of the necessary power supply infrastructure so that future installation of electric vehicle charging points can be accommodated. Implementation of parking charges are not included in the viability costings.

**1.3.** The existing garages are presently let on a simple licence arrangement requiring one months' notice to bring the licence to an end. The current charge for a garage is £85 per calendar month.

**1.4.** The committee are reminded that the available site in River Road is small in area (412M<sup>2</sup> / 0.04 Hectares / 0.101 acres). The site is in the centre of Arundel and is surrounded on three sides by existing residential development with window / openings onto the land. Vacant parking and garages / storage are in short supply in Arundel and therefore this service is in demand. In consulting local estate agents ahead of this exercise, the Council were advised that garage storage was likely to be preferable to open car parking provision. Many houses are small (cottages) with limited space, often with no parking provision. Garage provision would therefore allow alternative storage to vehicles and so would be more flexible and attractive to a prospective tenant, were this the option the Committee wished to pursue.

**1.5.** The site is located within a densely developed residential area. Recent redevelopment has occurred to the brewery site directly to the north and east of the Council's land. Vacant town centre development land within Arundel is rare and the local economy such that house, therefore land prices, remain high within the town. Officers have completed soft market testing regarding development options for the site and this confirmed that there would be strong interest in the site, were it to be marketed for redevelopment.

This is explored at Option 4 in the Options viability study at appendix 1 providing indicative values.

**1.6.** The viability studies completed account for risk in that where appropriate they allow for reasonable occupancy rates in relation to projected revenue.

**1.7.** If the Council proceed with the recommended option (5) then the property and land asset would be retained by the Council. Although it will be held and operated as a holiday let, the capital value of the asset should continue to appreciate in accordance with residential market conditions. This provides the Council with future options / choice in the event the market changes and holiday lettings are no longer considered to provide the Council with best financial return. Market research undertaken by Officers confirms that a modern four bedroom detached dwelling in this location in Arundel would have a current market value circa £1 to £1.1 Million.

**1.8.** The Council has consulted with Ward Members and the Town Council regarding the site to provide them with opportunity to confirm their respective view on future use of the Arun District Council's freehold site. Responses received are included at Appendix 4 of this report.

**1.9.** In accordance with Committee instruction residential options were explored at Option 6 and 6a see appendix 2. Option 6a provides a negative return whereas Option 6 provides a positive return.

Options (6 & 6a) have been disregarded as non-viable. For the Council to retain and privately rent property the premises would have to be held by a separate entity, such as a housing company, this is not an option the Council has available to it.

**1.10.** As part of the report review Property & Estates consulted with Residential Services to explore the possibility of provision of Council Housing on the site. As clarified at item 1.4 above the site is small thus limiting and complicating development possibilities and the attaining of economies of scale with site set up as presented at larger development sites.

As such Residential Services confirmed that *"due to the very restricted nature of the site, potential development / covenant issues and the very limited development size of this site, offering two possibly three units that this is not a site that Housing would currently be interested in pursuing"*.

**1.11.** Property & Estates have obtained legal and financial advice (see section 6 below) in relation to the holding of a single residential dwelling and operation via holiday let accommodation under the Council's General Fund Portfolio.

**1.12.** The proposal directly supports the Council's emerging vision in respect of fulfilling Arun's economic potential. The vision seeks to encourage the development of the district as a key tourist destination, supporting and enabling improvements and activities to increase visitor spend. Performance indicators include the number of hotel and new holiday accommodation delivered, and the increase in number of visitors, length of stay and visitor spend.

## **2. PROPOSAL(S):**

### **That Committee:**

**1** - Approve for the Council to proceed with Option 5 as set out in the Options Viability Appraisal at appendix 1, namely, to demolish existing garages, reconstruct a single four-bedroom dwelling for use as holiday let, managed via hosting company.

**2** - Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to enter into a hosting agreement with a suitable identified company following procurement in accordance with contract standing orders.

**3** - Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to commence procurement of construction management, planning services and construction main contractor to deliver the recommended development on site, including entering contracts as required in accordance with contract standing orders to deliver the completed building.

**4** - Approve for the Council to serve notice on the remaining licensees of the existing garages to gain vacant possession of the site.

**5** - Recommend to Full Council that a supplementary estimate of £485,625 be included within the capital programme to carry out the demolition and replacement of the garages at River Road, Arundel with a holiday let property (Option 5).

**6** – Delegates to the Group Head of Technical Services, in consultation with the Chair of the Economy Committee, authority to submit any necessary planning applications for the purpose of achieving recommendation 1 above.

## **3. OPTIONS:**

A summary of viability options assessed and presented in this report are detailed below. These options are considered in further detail within the Options Viability Appraisal at appendix 1 of this report.

Options originally assessed within the report previously submitted to the Economy Committee in October 2021 are included at appendix 2 for reference, these are listed as Options **1a, 2a, 3a, 5a, 6 & 6a**. Please note that these options have also been amended to reflect construction price increases and further enabling works for electric vehicle charging, where relevant but have all been disregarded in terms of viability.

### **3.1 Option 1**

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages with increase on current 2021 rental levels

### **3.2 Option 2**

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased rental level

### **3.3 Option 3**

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for £50K).

### **3.4 Option 4**

Freehold disposal of site for development (unconditional terms)

### **3.5 Option 5**

Construct and Manage Holiday Let - 1 No. four bedroom dwelling

<b>4. CONSULTATION:</b>		
Has consultation been undertaken with:	<b>YES</b>	<b>NO</b>
Relevant Town/Parish Council (see appendix 4)	X	
Relevant District Ward Councillors	X	
Other groups/persons (please specify) Planning Department	X	X
<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	<b>YES</b>	<b>NO</b>
Financial	X	
Legal	X	
Human Rights/Equality Impact Assessment	X	
Community Safety including Section 17 of Crime & Disorder Act		X
Sustainability	X	
Asset Management/Property/Land	X	
Technology		X
Other (please explain)		X
<b>6. IMPLICATIONS:</b>		
<u>Financial</u>		
<p>The recommended option (5 - Construct and Manage Holiday let Accommodation - 1 No. four bedroom dwelling) requires capital investment of £486k. This is not included in the capital programme approved by Council on 23 February 2022. If the proposal is supported, a supplementary capital budget will have to be sought from Full Council.</p> <p>The Council would be unable to fund the scheme from PWLB borrowing. Under government regulations, a Council may only borrow from the PWLB for service delivery, housing, regeneration, preventative action and treasury management purposes. PWLB borrowing is therefore excluded.</p> <p>If the Council decided to pursue the option, the recommended funding of the project would be from internal borrowing against the Council's cash balances. The approved capital programme assumes all capital receipts are applied and use of revenue funding is not recommended as the 2022/23 budget includes use of balances of £817k. Further use of revenue balances would place further strain on the Council's revenue budget.</p> <p>The recommended Option 5 at appendix 1 shows a projected annual lettings income of £110k assuming 60% occupancy. The Council would incur hosting costs of £31k and an annual maintenance cost of £5k. In addition, the Council will be required to make a</p>		

minimum revenue provision against the internal borrowing and provide for annual maintenance.

The Council's Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 approved on 9 March 2022 includes the Council's Minimum Revenue Provision statement. This provides that the Council will use the Asset Life method for calculation of MRP. An estimated life of 25 years has been assumed in the analysis below. Investing cash balances will also incur a loss of interest on investments. 1% has been assumed.

	£'000
Cost of Proposal	486
Annual income (60% occupancy)	110
Hosting/Commission Fees	(31)
Annual Maintenance/cyclical replacements	(5)
Minimum Revenue Provision	(20)
Loss of interest on investments	(5)
<b>Projected operating surplus</b>	<b>49</b>

In conclusion, although the proposal is projected to realise an operating surplus, the Council needs to be certain it is acting legally in pursuing it.

#### Legal

The Council has various powers which can support this project. The two main powers relevant to this project are set out below.

Section 2 of the Local Authorities (Land) Act 1963 allows the Council for the benefit or improvement of their area, to erect any building and construct or carry out works on land. The only requirement is that it is for the benefit or improvement of their area

Section 1 of the Localism Act 2011 (the general power of competence) gives the Council power to do anything that individuals generally may do. However, where in exercise of the general power, a local authority does things for a commercial purpose, the authority must do them through a company.

#### Sustainability

In proceeding with Option 5 the Council will look to provide a modern, sustainable property allowing to install carbon reduction renewable technology to meet the Council's Carbon reduction commitments. Energy will also be purchase via the Council's corporate contract ensuring all energy is purchased is from sustainable sources.

#### Asset Management / Property / Land.

The Property & Estates team will be involved in instructing the design, procurement, and contract management of the recommended option as this project would not be delivered in house due to existing commitments. On completion the asset would be externally managed by a suitable identified hosting company. For this to be successful Property & Estates firmly believe that no element of local council involvement should be apparent in the end project. All necessary relevant and required delegated authorities to provide the route through to delivery are included in the recommendations of this report.

## Planning Department.

Property & Estates approached the Planning Department regarding an informal enquiry in relation to the proposed recommendations of this report. Informal advice provided indicates that in principle it is unlikely Planners would have objection to either 1 or 2 dwellings on the site described. Clearly and in order to make more meaningful comments on the proposal planners would need to see how the proposed dwelling(s) were sited in order to see whether there was adequate space for amenity/parking and how the proposal related to adjoining development(s). An estimate of the expected CIL payment was also provided by the Planning Department and this has been included in the options viability appraisal for Option 5 in appendix 1.

### **7. REASON FOR THE DECISION:**

The existing garages are in very poor condition and are considered to be life expired.

Continuing their current use is not a viable option and so a decision must be made on the future use of the Council's freehold land.

Recommended option (5) is a financially viable proposal which directly supports the Council's emerging vision in respect of fulfilling Arun's economic potential. The vision seeks to encourage the development of the district as a key tourist destination, supporting and enabling improvements and activities to increase visitor spend. Performance indicators include the number of hotel and new holiday accommodation delivered, and the increase in number of visitors, length of stay and visitor spend.

The land and asset will be retained within the General Fund Asset Portfolio thus providing the Council further option(s) in the future.

For the above reasons the recommended decision within this report is considered to be in the best interests of the Council.

### **8. BACKGROUND PAPERS:**

Appendix 1 - Options Viability Appraisal

Appendix 2 – Options Viability appraisal including previously options with updated costs. These options are not taken forward as viable for the purposes of this report. (Options 1a, 2a, 3a, 5a & 6a).

Appendix 3 - Site location plan

Appendix 4 - Town Council and Ward Councillor responses to consultation on use of Council land at River Road, Arundel.

Appendix 5 – October 2021 Economy Committee

[Link to minutes of Economy Committee meeting 12th October 2021](#)

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**River Road Garages, Arundel, West Sussex.**

**Option cost / income analysis**

**Option 1**

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages with increase on current 2021 rental levels

Item	cost
Demolish Garages and cart away	£3,510.00
Eerect 8 No new traditional build garages	£156,000.00
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000.00
Tarmac remaining areas	£16,500.00
External landscaping	£2,600.00
contingency 10%	£19,061.00
Option total	£209,671.00
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Rent 8 No garages @ £200 pcm excluding vat. Per annum assuming 100% occupancy rate	£19,200.00
Annual surplus assuming 100% occupancy	£10,813.16
Rent 8 No garages @ £200 pcm excluding vat. Per annum assuming 80% occupancy rate	£15,360.00
Annual surplus assuming 80% occupancy	£4,876.45
Maintenance cost to ADC for Garages over 25 year viability period (£1200 pa + 2% annual uplift).	38,436

total surplus over 25 years = income over 25 years, 3% p/a uplift (£560,014.30) less finance / repayment (£262,088.75), less maintenance (£38,436.36) =	£259,489
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**River Road Garages, Arundel, West Sussex.**

**Option cost / income analysis**

**Option 2**

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased level

Item	cost
Demolish Garages and cart away	£3,510.00
Tarmac whole area and line paint to provide 10 no parking spaces.	£18,525.84
Ready prepare electrical infrastructure to allow future EV charging point install to paking spaces.	£12,000.00
External landscaping	£2,600.00
Contingency 10%	£3,663.58
Option total	£40,299.42
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£1,611.98
Loss of interest (in accordance with finance recommendations with the report)	£402.99
Rent 10 parking spaces @ £100 pcm excluding vat. Per annum assuming 100% occupancy rate	£12,000.00
Annual surplus assuming 100% occupancy	£10,388.02
Rent 10 parking spaces @ £100 pcm excluding vat. Per annum assuming 80% occupancy rate	£9,600.00
Annual surplus assuming 80% occupancy	£7,585.03

over 25 year period allow to resurface and repair costs circa £750 p/a + 2 % annual uplift	£24,023
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total surplus over 25 years = income over 25 years, 3% p/a uplift (£350,008.94) less finance / repayment (£50,374.25), less maintenance (£24,022.72) =	£275,612
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## River Road Garages, Arundel, West Sussex.

### Option cost / income analysis

#### Option 3

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years).

Item	cost
Demolish Garages and cart away	£3,510
Eerect 8 No new traditional build garages	£156,000
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000
Tarmac remaining site areas	£16,500
External landscaping	£2,600
contingency 10%	£19,061
Option total	£209,671
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Option 3 - Dispose of garage via leasehold 25 years - 8 garages @ £50,000	£400,000
Disposal fees & legal costs (£1650 x 8)	£13,200
Projected surplus = Capital receipt(£400,000), less Option total (£209,671) less 12 months finance (£10,483.55) less disposal & legal fees (£13,200) =	£166,645

**River Road Garages, Arundel, West Sussex.**

**Option cost / income analysis**

**Option 5**

Demolish existing garages and construct 4 bedroom detached dwelling as managed Holiday let.

Item	cost
Demolish Garages and cart away	£2,700
Planning & Architect fees	£8,000
Construct one 4 bed house	£334,500
Renewable technology installations (ADC Carbon reduction commitment)	£30,000
External works	£10,000
Fit out and furnish house	£15,000
Professional fees	£58,425
CIL payment	£27,000
Cost to deliver premises on site	<b>£485,625</b>
Annual income for house (nett) @ 100% occupancy	£183,717
Annual income assuming 60% occupancy rates (nett)	£110,230
Hosting / commision fees 28% (based on 60% occupancy)	£30,864
Annual maintenance /cyclical replacements	£5,000
Nett annual income less costs (assuming 60% occupancy)	£74,366
Nett annual income less costs (assuming 100% occupancy)	£132,788
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£19,425
Loss of interest (in accordance with finance recommendations with the report)	£4,856
Annual surplus assuming 60% occupancy	£50,084
Annual surplus assuming 100% occupancy	£113,363
Maintenance cost dwelling over 25 year viability period (£5000 pa + 2% annual uplift).	£160,152
total surplus over 25 years = income over 25 years, 3% p/a uplift (£4,018,905) less finance / repayment (£607,025), less maintenance (£160,151) less fees (£1,125,293) =	£2,126,435

## River Road Arundel - Viability Options Appraisal - Appendix 1

### Option 1

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages with increase on current 2021 rental levels

### Option 2

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased level

### Option 3

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for £50K).

### Option 4

Freehold disposal of site for development (unconditional terms) (see note below).

### Option 5

Construct and Manage Holiday Let - 1 No 4 bed dwelling

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	Option 1	Option 2	Option 3	Option 4	Option 5
Investment Required	£209,671	£40,299	£209,671	£nil	£485,625
Projected first year annual revenue allowing for void periods. (not excluding costs)	£15,360	£9,600	n/a	£nil	£110,230
Projected income over 25 years assuming 3% increase per year allowing for void periods	£560,014	£350,009	n/a	£nil	£4,018,905
Total surplus (over 25 years for option 1,2 & 5 or on disposal for option 3 & 4)	£259,489	£275,612	£166,645	£287,000	£2,126,435
Leasehold / Freehold disposal capital receipt	n/a	n/a	£400,000	£300,000	n/a
Disposal costs & legal fees (to be deducted from capital receipt)	n/a	n/a	£13,200	£13,000	n/a
% yield on Investment (over 25 years or on disposal)	124	684	79	n/a	438

**Note: Option 4 is based on an uncondition offer for freehold disposal of the site that the Council received following a soft market testing exercise via local land agent.**

**Option 1**

project cost

£209,671.00

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on increased rental levels

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£15,360	£0	£1,200	£10,484		
1	£15,360	£0	£1,200	£10,484	£3,676	
2	£15,821	£0	£1,224	£10,484	£4,113	£7,790
3	£16,295	£0	£1,248	£10,484	£4,563	£12,353
4	£16,784	£0	£1,273	£10,484	£5,027	£17,380
5	£17,288	£0	£1,299	£10,484	£5,505	£22,886
6	£17,806	£0	£1,325	£10,484	£5,998	£28,884
7	£18,341	£0	£1,351	£10,484	£6,506	£35,389
8	£18,891	£0	£1,378	£10,484	£7,029	£42,418
9	£19,458	£0	£1,406	£10,484	£7,568	£49,986
10	£20,041	£0	£1,434	£10,484	£8,124	£58,110
11	£20,643	£0	£1,463	£10,484	£8,696	£66,806
12	£21,262	£0	£1,492	£10,484	£9,286	£76,092
13	£21,900	£0	£1,522	£10,484	£9,894	£85,987
14	£22,557	£0	£1,552	£10,484	£10,521	£96,508
15	£23,233	£0	£1,583	£10,484	£11,166	£107,674
16	£23,930	£0	£1,615	£10,484	£11,832	£119,506
17	£24,648	£0	£1,647	£10,484	£12,517	£132,023
18	£25,388	£0	£1,680	£10,484	£13,224	£145,247
19	£26,149	£0	£1,714	£10,484	£13,952	£159,199
20	£26,934	£0	£1,748	£10,484	£14,702	£173,901
21	£27,742	£0	£1,783	£10,484	£15,475	£189,376
22	£28,574	£0	£1,819	£10,484	£16,272	£205,648
23	£29,431	£0	£1,855	£10,484	£17,093	£222,741
24	£30,314	£0	£1,892	£10,484	£17,938	£240,679
25	£31,224	£0	£1,930	£10,484	£18,810	£259,489

Sub Total £	560,014.30	0.00	38,436.36	262,088.75	259,489.19
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Option 1a

£209,671.00

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on current 2021 rental levels

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£6,528					
1	£6,528	£0	£1,200	£10,484	-£5,156	
2	£6,724	£0	£1,224	£10,484	-£4,984	-£10,140
3	£6,926	£0	£1,248	£10,484	-£4,807	-£14,947
4	£7,133	£0	£1,273	£10,484	-£4,624	-£19,571
5	£7,347	£0	£1,299	£10,484	-£4,436	-£24,007
6	£7,568	£0	£1,325	£10,484	-£4,241	-£28,248
7	£7,795	£0	£1,351	£10,484	-£4,041	-£32,289
8	£8,029	£0	£1,378	£10,484	-£3,834	-£36,122
9	£8,269	£0	£1,406	£10,484	-£3,621	-£39,743
10	£8,518	£0	£1,434	£10,484	-£3,401	-£43,143
11	£8,773	£0	£1,463	£10,484	-£3,174	-£46,317
12	£9,036	£0	£1,492	£10,484	-£2,940	-£49,257
13	£9,307	£0	£1,522	£10,484	-£2,699	-£51,955
14	£9,587	£0	£1,552	£10,484	-£2,450	-£54,405
15	£9,874	£0	£1,583	£10,484	-£2,193	-£56,598
16	£10,170	£0	£1,615	£10,484	-£1,929	-£58,527
17	£10,476	£0	£1,647	£10,484	-£1,656	-£60,183
18	£10,790	£0	£1,680	£10,484	-£1,375	-£61,557
19	£11,113	£0	£1,714	£10,484	-£1,084	-£62,642
20	£11,447	£0	£1,748	£10,484	-£785	-£63,427
21	£11,790	£0	£1,783	£10,484	-£477	-£63,904
22	£12,144	£0	£1,819	£10,484	-£159	-£64,063
23	£12,508	£0	£1,855	£10,484	£169	-£63,894
24	£12,884	£0	£1,892	£10,484	£507	-£63,386

25	£13,270	£0	£1,930	£10,484	£856	-£62,530
26	£13,668	£0	£1,969	£0	£11,699	-£50,831
27	£14,078	£0	£2,008	£0	£12,070	-£38,761
28	£14,501	£0	£2,048	£0	£12,452	-£26,308
29	£14,936	£0	£2,089	£0	£12,846	-£13,462
30	£15,384	£0	£2,131	£0	£13,253	-£209
31	£15,845	£0	£2,174	£0	£13,672	£13,462
25 yr sub total	£310,572.31	£0.00	£48,681.70	£262,100.00	-£209.38	
31 yr sub total	£326,417.48	£0.00	£50,855.33	£262,100.00	£13,462.15	

**Option 2**

project cost

£40,299.00

**Option 2**

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased rent level

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£9,600					
1	£9,600		£750	£2,015	£6,835	
2	£9,888		£765	£2,015	£7,108	£13,943
3	£10,185		£780	£2,015	£7,389	£21,332
4	£10,490		£796	£2,015	£7,679	£29,012
5	£10,805		£812	£2,015	£7,978	£36,990
6	£11,129		£828	£2,015	£8,286	£45,276
7	£11,463		£845	£2,015	£8,603	£53,879
8	£11,807		£862	£2,015	£8,930	£62,809
9	£12,161		£879	£2,015	£9,267	£72,077
10	£12,526		£896	£2,015	£9,615	£81,691
11	£12,902		£914	£2,015	£9,972	£91,664
12	£13,289		£933	£2,015	£10,341	£102,005
13	£13,687		£951	£2,015	£10,721	£112,726
14	£14,098		£970	£2,015	£11,113	£123,839
15	£14,521		£990	£2,015	£11,516	£135,355
16	£14,956		£1,009	£2,015	£11,932	£147,287
17	£15,405		£1,030	£2,015	£12,361	£159,648
18	£15,867		£1,050	£2,015	£12,802	£172,450
19	£16,343		£1,071	£2,015	£13,257	£185,707
20	£16,834		£1,093	£2,015	£13,726	£199,433
21	£17,339		£1,114	£2,015	£14,209	£213,642

22	£17,859		£1,137	£2,015	£14,707	£228,350
23	£18,395		£1,159	£2,015	£15,220	£243,570
24	£18,946		£1,183	£2,015	£15,749	£259,318
25	£19,515		£1,206	£2,015	£16,294	£275,612
sub total £	£350,008.94	£0.00	£24,022.72	£50,374.25	£275,611.96	

**Option 2a**  
project cost

£40,299.00

**Option 2a**

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at 2021 rent level

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£5,280					
1	£5,280		£750	£2,015	£2,515	
2	£5,438		£765	£2,015	£2,658	£5,173
3	£5,602		£780	£2,015	£2,806	£7,980
4	£5,770		£796	£2,015	£2,959	£10,938
5	£5,943		£812	£2,015	£3,116	£14,054
6	£6,121		£828	£2,015	£3,278	£17,332
7	£6,305		£845	£2,015	£3,445	£20,777
8	£6,494		£862	£2,015	£3,617	£24,395
9	£6,689		£879	£2,015	£3,795	£28,189
10	£6,889		£896	£2,015	£3,978	£32,167
11	£7,096		£914	£2,015	£4,167	£36,334
12	£7,309		£933	£2,015	£4,361	£40,695
13	£7,528		£951	£2,015	£4,562	£45,257
14	£7,754		£970	£2,015	£4,769	£50,026
15	£7,986		£990	£2,015	£4,982	£55,008
16	£8,226		£1,009	£2,015	£5,202	£60,209
17	£8,473		£1,030	£2,015	£5,428	£65,638
18	£8,727		£1,050	£2,015	£5,662	£71,300
19	£8,989		£1,071	£2,015	£5,903	£77,202
20	£9,259		£1,093	£2,015	£6,151	£83,353
21	£9,536		£1,114	£2,015	£6,407	£89,760

22	£9,822		£1,137	£2,015	£6,671	£96,431
23	£10,117		£1,159	£2,015	£6,943	£103,373
24	£10,421		£1,183	£2,015	£7,223	£110,596
25	£10,733		£1,206	£2,015	£7,512	£118,108
sub total £	£192,504.92	£0.00	£24,022.72	£50,374.25	£118,107.94	

**River Road Garages, Arundel, West Sussex.**

**Option cost / income analysis**

**Option 3**

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years).

Item	cost
Demolish Garages and cart away	£3,510
Eerect 8 No new traditional build garages	£156,000
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000
Tarmac remaining site areas	£16,500
External landscaping	£2,600
contingency 10%	£19,061
Option total	£209,671
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Option 3 - Dispose of garage via leasehold 25 years - 8 garages @ £50,000	£400,000
Disposal fees & legal costs (£1650 x 8)	£13,200
Projected profit = Capital receipt(£400,000), less Option total (£209,671) less 12 months finance (£10,483.55) less disposal & legal fees	£166,645

**River Road Garages, Arundel, West Sussex.**

**Option cost / income analysis**

**Option 3a**

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years).

Item	cost
Demolish Garages and cart away	£3,510
Eerect 8 No new traditional build garages	£156,000
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000
Tarmac remaining site areas	£16,500
External landscaping	£2,600
contingency 10%	£19,061
Option total	£209,671
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Option 3 - Dispose of garage via leasehold 25 years - 8 garages @ £35,000	£280,000
Disposal fees & legal costs (£1650 x 8)	£13,200
Projected profit = Capital receipt(£280,000), less Option total (£209,671) less 12 months finance (£10,483.55) less disposal & legal fees (£13,200) =	£46,645



**Option 4**

Straightforward Freehold disposal no information included

Option 5  
project cost

based on 28% fees

£458,625.00

**Option 5**

Demolish existing garages and construct 4 bedroom detached dwelling as managed Holiday let.

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	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£110,230	£30,864	£5,000	£22,931		
1	£110,230	£30,864	£5,000	£22,931	£51,435	
2	£113,537	£31,790	£5,100	£22,931	£53,716	£105,150
3	£116,943	£32,744	£5,202	£22,931	£56,066	£161,216
4	£120,451	£33,726	£5,306	£22,931	£58,488	£219,704
5	£124,065	£34,738	£5,412	£22,931	£60,984	£280,688
6	£127,787	£35,780	£5,520	£22,931	£63,555	£344,243
7	£131,620	£36,854	£5,631	£22,931	£66,205	£410,447
8	£135,569	£37,959	£5,743	£22,931	£68,935	£479,383
9	£139,636	£39,098	£5,858	£22,931	£71,749	£551,131
10	£143,825	£40,271	£5,975	£22,931	£74,648	£625,779
11	£148,140	£41,479	£6,095	£22,931	£77,635	£703,414
12	£152,584	£42,724	£6,217	£22,931	£80,713	£784,126
13	£157,162	£44,005	£6,341	£22,931	£83,884	£868,011
14	£161,876	£45,325	£6,468	£22,931	£87,152	£955,163
15	£166,733	£46,685	£6,597	£22,931	£90,519	£1,045,682
16	£171,735	£48,086	£6,729	£22,931	£93,989	£1,139,671
17	£176,887	£49,528	£6,864	£22,931	£97,564	£1,237,234
18	£182,193	£51,014	£7,001	£22,931	£101,247	£1,338,481
19	£187,659	£52,545	£7,141	£22,931	£105,042	£1,443,524
20	£193,289	£54,121	£7,284	£22,931	£108,953	£1,552,477
21	£199,088	£55,745	£7,430	£22,931	£112,982	£1,665,459
22	£205,060	£57,417	£7,578	£22,931	£117,134	£1,782,593
23	£211,212	£59,139	£7,730	£22,931	£121,412	£1,904,005

24	£217,548	£60,914	£7,884	£22,931	£125,819	£2,029,824
25	£224,075	£62,741	£8,042	£22,931	£130,361	£2,160,185
	£4,018,904.71	£1,125,293.32	£160,151.50	£573,275.00	£2,160,184.89	

**Option 5a**

project cost

based on 28% fees

£699,550.00

**Option 5a**

Demolish existing garages and construct two 2 bedroom cottage dwellings as managed Holiday lets.

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£75,920	£21,258	£9,800	£34,978		
1	£75,920	£21,258	£9,800	£34,978	£9,885	
2	£78,198	£21,895	£9,996	£34,978	£11,329	£21,214
3	£80,544	£22,552	£10,196	£34,978	£12,818	£34,032
4	£82,960	£23,229	£10,400	£34,978	£14,354	£48,385
5	£85,449	£23,926	£10,608	£34,978	£15,938	£64,323
6	£88,012	£24,643	£10,820	£34,978	£17,571	£81,894
7	£90,652	£25,383	£11,036	£34,978	£19,256	£101,150
8	£93,372	£26,144	£11,257	£34,978	£20,993	£122,143
9	£96,173	£26,928	£11,482	£34,978	£22,785	£144,928
10	£99,058	£27,736	£11,712	£34,978	£24,633	£169,561
11	£102,030	£28,568	£11,946	£34,978	£26,538	£196,099
12	£105,091	£29,425	£12,185	£34,978	£28,503	£224,602
13	£108,244	£30,308	£12,429	£34,978	£30,529	£255,131
14	£111,491	£31,218	£12,677	£34,978	£32,619	£287,750
15	£114,836	£32,154	£12,931	£34,978	£34,773	£322,523
16	£118,281	£33,119	£13,190	£34,978	£36,995	£359,519
17	£121,829	£34,112	£13,453	£34,978	£39,286	£398,805
18	£125,484	£35,136	£13,722	£34,978	£41,649	£440,454
19	£129,249	£36,190	£13,997	£34,978	£44,085	£484,538
20	£133,126	£37,275	£14,277	£34,978	£46,597	£531,135
21	£137,120	£38,394	£14,562	£34,978	£49,187	£580,322
22	£141,234	£39,545	£14,854	£34,978	£51,857	£632,179

23	£145,471	£40,732	£15,151	£34,978	£54,611	£686,789
24	£149,835	£41,954	£15,454	£34,978	£57,450	£744,239
25	£154,330	£43,212	£15,763	£34,978	£60,377	£804,616
Sub total £	£2,767,987.35	£775,036.46	£313,896.94	£874,437.50	£804,616.45	

**Option 6**

project cost

£405,375.00

**Option 6**

Demolish existing garages and construct one 4 bedroom detached dwelling house and rent on private sector basis

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£24,000	£2,400	£1,750	£20,269		
1	£24,000	£2,400	£1,750	£20,269	-£419	
2	£24,720	£2,472	£1,785	£20,269	£194	-£225
3	£25,462	£2,546	£1,821	£20,269	£826	£601
4	£26,225	£2,623	£1,857	£20,269	£1,477	£2,079
5	£27,012	£2,701	£1,894	£20,269	£2,148	£4,227
6	£27,823	£2,782	£1,932	£20,269	£2,839	£7,066
7	£28,657	£2,866	£1,971	£20,269	£3,552	£10,618
8	£29,517	£2,952	£2,010	£20,269	£4,286	£14,904
9	£30,402	£3,040	£2,050	£20,269	£5,043	£19,947
10	£31,315	£3,131	£2,091	£20,269	£5,823	£25,770
11	£32,254	£3,225	£2,133	£20,269	£6,627	£32,397
12	£33,222	£3,322	£2,176	£20,269	£7,455	£39,852
13	£34,218	£3,422	£2,219	£20,269	£8,308	£48,160
14	£35,245	£3,524	£2,264	£20,269	£9,188	£57,348
15	£36,302	£3,630	£2,309	£20,269	£10,094	£67,442
16	£37,391	£3,739	£2,355	£20,269	£11,028	£78,470
17	£38,513	£3,851	£2,402	£20,269	£11,991	£90,460
18	£39,668	£3,967	£2,450	£20,269	£12,982	£103,443
19	£40,858	£4,086	£2,499	£20,269	£14,004	£117,447
20	£42,084	£4,208	£2,549	£20,269	£15,058	£132,505
21	£43,347	£4,335	£2,600	£20,269	£16,143	£148,648
22	£44,647	£4,465	£2,652	£20,269	£17,261	£165,909

23	£45,986	£4,599	£2,705	£20,269	£18,414	£184,322
24	£47,366	£4,737	£2,760	£20,269	£19,601	£203,923
25	£48,787	£4,879	£2,815	£20,269	£20,825	£224,748
sub total £	£875,022.34	£87,502.23	£56,053.02	£506,718.75	£224,748.33	

**Option 6a**  
project cost

£624,450.00

**Option 6a**  
Demolish existing garages and construct two 2 bedroom cottage dwelling houses and rent on private sector basis

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£24,000	£2,400	£3,500	£31,223		
1	£24,000	£2,400	£3,500	£31,223	-£13,123	
2	£24,720	£2,472	£3,570	£31,223	-£12,545	-£25,667
3	£25,462	£2,546	£3,641	£31,223	-£11,948	-£37,615
4	£26,225	£2,623	£3,714	£31,223	-£11,334	-£48,949
5	£27,012	£2,701	£3,789	£31,223	-£10,700	-£59,649
6	£27,823	£2,782	£3,864	£31,223	-£10,046	-£69,696
7	£28,657	£2,866	£3,942	£31,223	-£9,373	-£79,068
8	£29,517	£2,952	£4,020	£31,223	-£8,678	-£87,746
9	£30,402	£3,040	£4,101	£31,223	-£7,961	-£95,707
10	£31,315	£3,131	£4,183	£31,223	-£7,222	-£102,929
11	£32,254	£3,225	£4,266	£31,223	-£6,460	-£109,390
12	£33,222	£3,322	£4,352	£31,223	-£5,675	-£115,064
13	£34,218	£3,422	£4,439	£31,223	-£4,865	-£119,929
14	£35,245	£3,524	£4,528	£31,223	-£4,030	-£123,959
15	£36,302	£3,630	£4,618	£31,223	-£3,169	-£127,128
16	£37,391	£3,739	£4,711	£31,223	-£2,281	-£129,409
17	£38,513	£3,851	£4,805	£31,223	-£1,366	-£130,774
18	£39,668	£3,967	£4,901	£31,223	-£422	-£131,196
19	£40,858	£4,086	£4,999	£31,223	£551	-£130,645
20	£42,084	£4,208	£5,099	£31,223	£1,554	-£129,091
21	£43,347	£4,335	£5,201	£31,223	£2,589	-£126,502
22	£44,647	£4,465	£5,305	£31,223	£3,655	-£122,847



23	£45,986	£4,599	£5,411	£31,223	£4,754	-£118,093
24	£47,366	£4,737	£5,519	£31,223	£5,888	-£112,205
25	£48,787	£4,879	£5,630	£31,223	£7,056	-£105,148
26	£50,251	£5,025	£5,742		£39,483	-£65,665
27	£51,758	£5,176	£5,857		£40,725	-£24,940
28	£53,311	£5,331	£5,974		£42,006	£17,066
Yr 25 sub total £	£875,022.34	£87,502.23	£112,106.05	£780,562.50	£17,066.19	

## Appendix 2 - River Road Arundel - Viability Options financials.

### Option 1

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on increased rental levels

### Option 1a

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages maintain current 2021 rental levels

### Option 2

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased rent level

### Option 2a

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces maintain current 2021 rental levels

### Option 3

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for £50K).

### Option 3a

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for 35K).

### Option 4

Freehold disposal of site for development (unconditional terms)

### Option 5

Construct and Manage Holiday Let - 1 No 4 bed dwelling

### Option 5 a

Construct and Manage Holiday Let - two No 2 bed cottages

### Option 6

Demolish existing garages and construct one 4 bedroom detached dwelling house and rent on private sector basis

### Option 6a

Demolish existing garages and construct two 2 bedroom cottage dwelling houses and rent on private sector basis

**Option 1, 2, 3, & 4**

**Options taken forward to main body of report**

**Option 1a, 2a, 3a, 5a,6 & 6a**

**Previous options presented (updated) but disregarded in the report.**

**Option 5**

**Option recommended for acceptance in main report.**

	Option 1	Option 1a	Option 2	Option 2a	Option 3	Option 3a	Option 4	Option 5	Option 5a	Option 6	Option 6a
Investment Required	£209,671	£209,671	£40,299	£40,299	£209,671	£209,761	£nil	£458,625	£699,550	£405,375	£624,450
Projected first year annual revenue allowing for void periods. (not excluding costs)	£15,360	£6,528	£9,600	£5,280	n/a	n/a	£nil	£110,230	£75,920	£24,000	£24,000
Projected income over 25 years assuming 3% increase per year allowing for void periods	£560,014	£238,006	£350,009	£192,505	n/a	n/a	£nil	£4,018,905	£2,767,987	£875,022	£875,022
<b>Total profit (over 25 years for option 1,1a,2,2a,5,5a,6 &amp;6a or on disposal for option 3,3a &amp; 4)</b>	£259,489	-£62,530	£275,612	£118,108	£166,645	£46,645	£287,000	£2,160,186	£804,616	£224,748	£17,066
Leasehold / Freehold disposal capital	n/a	n/a	n/a	n/a	£400,000	£280,000	£300,000	n/a	n/a	n/a	n/a
Disposal costs & legal fees (to be deducted from capital receipt)	n/a		n/a	n/a	£13,200	£13,200	£13,000	n/a	n/a	n/a	n/a
% yield on Investment (over 25 years or on disposal)	124		684	293	79	22	n/a	471	115	55	3

*Note: Option 4 is based on an uncondition offer for freehold disposal of the site that the Council received following a soft*

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AMENDMENTS	BY	DATE

JOB TITLE:  
River Road Garages  
River Road  
Arundel

DRAWING TITLE:  
Location Plan

SCALE: 1:1250 @ A3

PROPERTY: LM 3019

DRG. No.: 001      REV.: -

DRAWN BY: SH

TRACED BY:

CHECKED BY:

DATE: September 2021

**Sam Horwill**  
Snr Estates Surveyor  
Arun District Council  
Arun Civic Centre  
Maltravers Road  
LITTLEHAMPTON  
West Sussex  
BN17 5LF

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## Carley Lavender

---

**From:** Town Clerk <TownClerk@arundeltowncouncil.gov.uk>  
**Sent:** 19 November 2021 13:26  
**To:** Nat Slade  
**Subject:** RE: Consultation on future options for lock up garage site on River Road, Arundel

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Dear Nathan,

Please find below Arundel Town Councils response on the Consultation on future options for lock up garage site on River Road, Arundel.

### Full Council Meeting - 11<sup>th</sup> November 2021

T2762	(a) River Road Garages
	Following a proposal from the Town Clerk and Mayor and a discussion between Councillors, the Council <b>RESOLVED</b> to respond to an enquiry from Arun District Council by recommending that the space currently occupied by the River Road garages be retained as garages or turned into parking spaces and not used for residential or holiday accommodation.

Kind regards,

Carolyn,



**Carolyn Baynes**  
**Town Clerk**  
**Arundel Town Hall**  
Maltravers Street, Arundel  
West Sussex BN18 9AP  
**T 01903 881567**

**E [townclerk@arundeltowncouncil.gov.uk](mailto:townclerk@arundeltowncouncil.gov.uk)**

**Office hours: 9am-1pm daily**

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**From:** Nat Slade <Nat.Slade@arun.gov.uk>

**Sent:** 22 October 2021 14:57

**To:** Town Clerk <TownClerk@arundeltowncouncil.gov.uk>

**Subject:** Consultation on future options for lock up garage site on River Road, Arundel

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Dear Sir/Madam,

A report was presented to Arun District Council's Economic Committee last week with six options for the future of the lock-up garage site the Council owns on River Road in Arundel. (Item 7 on the linked agenda).

The current nine lock up garages are end of life, with two already having been taken out of use due to condition.

The recommended option was to demolish and rebuild 8 wider garages, more suited to modern cars.

Committee considered the options and asked that a further option be added, the details and viability of which will be worked up in more detail over the coming weeks. The further option is that Arun itself develop some form of residential/holiday letting development on the site to either retain or sell.

Committee Members were also keen to hear the views of the Town Council.

To that end, I would welcome your comments on all the options by 21<sup>st</sup> November.

If you have any queries in the meantime, please feel free to contact me.

Kind regards,

Nat

**Nathaniel Slade**  
Group Head of Technical Services

T: 01903 737683

E: [nat.slade@arun.gov.uk](mailto:nat.slade@arun.gov.uk)

Arun District Council, Civic Centre, Maltravers Rd, Littlehampton, West Sussex, BN17 5LF

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**Nathaniel Slade**  
 Group Head of Technical Services



**T:** 01903 737683  
**E:** [nat.slade@arun.gov.uk](mailto:nat.slade@arun.gov.uk)

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## Carley Lavender

---

**From:** Cllr. Paul Dendle  
**Sent:** 28 October 2021 15:26  
**To:** Nat Slade  
**Cc:** Cllr. Shaun Gunner  
**Subject:** Re: Lock up garages on River Road, Arundel

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Hi Nat

I think this site should be used for redevelopment and sold off for a capital gain to the council, maybe with a percentage of social housing.

Any existing garage owners should be offered garages elsewhere if possible or this is not available at the moment maybe a temporary permit to one of the public carparks.

I hope that helps  
Best Paul

---

**From:** Nat Slade <Nat.Slade@arun.gov.uk>  
**Sent:** Wednesday, October 20, 2021 5:30:08 PM  
**Subject:** Lock up garages on River Road, Arundel

Dear Ward Member,

A report was presented to the Economic Committee last week with six options for the future of the lock-up garage site the Council owns on River Road in Arundel. (Item 7)

The current nine lock up garages are life expired (two have already been taken out of use due to condition).

The recommended option was to demolish and rebuild 8 wider garages, more suited to modern cars.

Committee considered the options and asked that a further option be added to this list, the details and viability of which will be worked up in more detail over the coming weeks. The further option is that the Council itself develop some form of residential/holiday letting development on the site to either retain or sell.

Committee Members were also keen to hear the views of Ward Members and the Town Council.

To that end, I would welcome your comments on all the options by 21<sup>st</sup> November. In the next couple of days I will be contacting Arundel Town Council with the same request for comments.

If you have any queries in the meantime, please feel free to contact me.

Kind regards,

Nat

**Nathaniel Slade**

Group Head of Technical Services



T: 01903 737683

E: [nat.slade@arun.gov.uk](mailto:nat.slade@arun.gov.uk)

Arun District Council, Civic Centre, Maltravers Rd, Littlehampton, West Sussex, BN17 5LF

[www.arun.gov.uk](http://www.arun.gov.uk)



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A horizontal banner with a light grey background. It features four icons in rounded squares: 1. Two hands being washed with water droplets. 2. A black face mask. 3. Two stylized human figures standing apart. 4. An open window with air flowing through it. Below the icons is a dark grey bar with the text "Hands | Face | Space | Fresh Air" in white. At the bottom of the banner is the URL "www.arun.gov.uk/coronavirus" in a bold, dark font.

Hands | Face | Space | Fresh Air

[www.arun.gov.uk/coronavirus](http://www.arun.gov.uk/coronavirus)

# Public Document Pack Agenda Item 11

Subject to approval at the next Policy and Finance Committee meeting

563

## POLICY AND FINANCE COMMITTEE

31 March 2022 at 6.00 pm

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

Councillor Edwards was also in attendance at the meeting.

[Note: Councillor Oppler was absent from the meeting during consideration of the matters contained within Minute 800 to 806 (Part).

### 800. APOLOGY FOR ABSENCE

An Apology for Absence had been received from Councillor Dixon.

### 801. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

### 802. MINUTES

The minutes from the meeting of the Committee held on 10 February 2022 were approved by the Committee as a correct record and were signed by the Chair at the conclusion of the meeting.

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

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

### 804. PUBLIC QUESTION TIME

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

### 805. COUNCIL VISION - PERFORMANCE MANAGEMENT 2022-2026

The Group Head of Policy presented this report to the Committee. She explained that the Council Vision had been approved by Full Council on 9 March 2022. The report presented the proposed indicators to be used to measure performance against the key themes set out in the Vision. These had been set out in Appendix A of the report.

There was one change to be made in the final version of Appendix B which was moving CP22 on page 26 [% of Licence Applications determined] which should be placed under the Wellbeing theme rather than the Housing theme. Most of the Corporate Plan Indicators would be reported monthly to the Corporate Management Team, and quarterly to all Service Committees from April onwards. In the interest of

Policy and Finance Committee - 31.03.22

transparency to Members, all Service Committees would receive the same report. There would be a report at the end of each year setting out the overall performance against the Vision objectives and the Corporate Plan.

The Chair invited questions. It was felt the list of KPIs may be too long, and there should be more customer feedback. The expectations of residents and customers should be looked at and their satisfaction measured. The Chief Executive explained that the indicators were there to help the council assess its performance against the objectives identified in The Vision Document. Customer insight was being looked at additionally, and the Chief Executive anticipated moving towards live customer feedback.

It was hoped that over time there would be an opportunity to reconfigure and refine some of the measurements. Clarification was sought on when the Vision measurements would be reported, and why each of the Service Committees would receive the same reports. The Group Head of Policy explained the measurements would be reported annually. The same report would be provided to all Service Committees in the interests of transparency. The expectation was that each Committee would focus on the relevant indicators to them, but Members would have access to all indicators.

Clarification was sought on what was defined as an Empty Home, and as this was an area the council performed well in whether consideration might be given to re-defining this. The Director of Place would provide a response to this question after the meeting.

Councillor Walsh proposed an amendment to the recommendations which was the addition of a third recommendation which was to agree to refine these KPIs to include more customer resident feedback at the earliest opportunity. This was seconded by Councillor Stanley and on this being put to the vote it was declared CARRIED.

The substantive recommendations were then proposed by Councillor Pendleton and seconded by Councillor Stanley.

The Committee

RECOMMEND TO FULL COUNCIL - That

- (1) The proposed indicators to measure the outcomes for the Council Vision key themes be agreed;
- (2) The proposed Key Performance Indicators be agreed; and
- (3) These KPIs be refined to include more customer relevant feedback at the earliest opportunity.

806. BUSINESS RATE POOL - DECISION MAKING

The Director of Place presented the report to the Committee explaining that it addressed how decisions on the Business Rate Pool could be made in a timely manner. The recommendations were then explained to the Committee.

It was asked that Members be notified by email as soon as practicable regarding any decisions made under the delegated authority in recommendation 2. The Chief Executive committed to doing this.

The recommendations were then proposed by Councillor Cooper and seconded by Councillor Walsh.

The Committee

RESOLVED - That

(1) Any membership contributions for external partnerships currently funded from the Business Rate Pool will continue to do so until the funds are exhausted, or a decision is made by the constituent authorities of the Business Rate Pool to cease funding, whichever is the sooner; and

(2) Authority be delegated to the Chief Executive in consultation with the Leader of the Council, to determine in agreement with the other West Sussex Authorities, this Council's position on how any Business Rate Pool funds are used both in respect of the 2015-2021 Business Rate Pool and the 2022 onwards Business Rate Pool.

807. LITTLEHAMPTON TOWN CENTRE - FIBRE DUCTING WORKS

The Director of Place presented the report to the Committee explaining that it sought the committee's approval to increase the budget of the Littlehampton Town Centre Improvement Works by £240,000 to include the installation of fibre ducting within the project. This would provide the future capability of Ultrafast Full Fibre internet connectivity to businesses and residences in the Town Centre.

The Chair invited questions. There was concern at the amount of money this would cost, and it was asked whether there was any room for negotiation, or an agreement with City Fibre that a proportion of costs could be recovered. The Director of Place confirmed that the Cost Consultants had been approached, who had confirmed the proposed costs were reasonable, and not over-inflated. Officers would continue to work to ensure net cost to Council would be reduced as much as possible.

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The issue of ducting had been raised at previous Meetings over the past 3 years, and Members had requested that ducting for Fibre be installed when the high street was dug up. The Director of Place explained that City Fibre had not been in a position to lay the ducting prior to the Public Realm works being undertaken. If the work was not carried out now, there would be a delay of five years.

The recommendations were proposed by Councillor Cooper and seconded by Councillor Pendleton.

The Committee

RESOLVED – That

- (1) The budget for the Littlehampton Town Centre Improvement Works be increased by up to £240,000 for the installation of fibre ducting to Littlehampton Town Centre funded from the corporate underspend for 2021/22;
- (2) Authority be delegated to the Director of Place, in consultation with the Section 151 Officer, to investigate and enter into the most advantageous model for the utilisation of the ducting; and
- (3) Authority be delegated to the Director of Place to seek agreement from West Sussex County Council for any additional permissions required for the laying of fibre ducting.

808. LEISURE OPERATING CONTRACT [MEETING OF THE HOUSING & WELLBEING COMMITTEE HELD ON 17 MARCH 2022]

The Interim Group Head of Corporate Support and S151 Officer presented the report to the Committee. Arun District Council had provided support to mitigate the impact of the COVID-19 pandemic on its leisure operating contract. This report sought the Committee's approval for a virement of budget for the arrangements agreed by Housing and Wellbeing Committee on 17 March 2022. The minutes containing a recommendation from the meeting of the Housing and Wellbeing Committee held on 17 March 2022 were circulated to the meeting.

The Chair invited questions from Members and overall support was expressed towards the recommendation.

The recommendation was proposed by Councillor Cooper and seconded by Councillor Stanley.

The Committee

RESOLVED



That the virement of £289,127 from the Covid-19 contingency budget for 2021/22 to cover the shortfall in expected income from the Council's Leisure Management Contractor during 2021/22 be approved.

809. OUTSIDE BODIES - FEEDBACK FROM MEETINGS

The Chair confirmed that there were no issues to feedback to Members.

810. WORK PROGRAMME

The Committee received the Work Programme for the new Municipal Year. This was a work in progress and would be expanded further.

It was asked whether updates around the Levelling Up Fund could be included as a regular item on the agenda. The Director of Place confirmed he expected the first update would be given at the Committee Meeting on the 30 June 2022.

(The meeting concluded at 18.32 pm)

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# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF POLICY AND FINANCE COMMITTEE ON 31 MARCH 2022

**SUBJECT: Council Vision - Performance Measurement 2022 - 2026**

**REPORT AUTHOR:** Jackie Follis – Group Head of Policy  
**DATE:** 17 March 2022  
**EXTN:** 01903 737580  
**AREA:** Corporate Support

### **EXECUTIVE SUMMARY:**

This report gives the detail on the proposed indicators to measure the outcomes for the Council Vision key themes and gives the detail on the proposed Key Performance Indicators (KPIs).

### **RECOMMENDATIONS:**

The Committee is asked to recommend to Full Council that it:

- i) Agrees the proposed indicators to measure the outcomes for the Council Vision key themes; and
- ii) Agrees the proposed Key Performance Indicators.

### **1. BACKGROUND:**

The Council Vision 2022 – 2026 was approved at Full Council on 9 March 2022 and is now available on our website: [Council Vision 2022 - 2026](#)

To support our Vision we must ensure that we have a comprehensive and meaningful set of performance measures which allow us to identify how well we are delivering across a full range of services.

The proposed indicators to measure the outcomes for the Council Vision key themes are ***attached in Appendix A*** to this report. These indicators are all to be measured annually and will be reported to the Policy and Finance Committee on an annual basis to the next available Policy and Finance Committee meeting after the year ends on 31 March. The reporting will predominantly be updating on the progress against strategic milestones set out in various strategies and plans which contribute to delivery of the Council Vision.

The proposed 'key performance indicators' (KPIs) are ***attached in Appendix B*** to this report and this group of measures is known collectively as our Corporate Plan. These indicators will be reported to all Committees on a quarterly basis and CMT will be kept informed of progress regularly. The quarterly report to Committees will be the same report to all Committees and will be circulated a few weeks after each quarter ends.

In previous years the Council had both Corporate Plan indicators and Service Delivery Plan indicators. From 2022 onwards, the Council will not be using Service Delivery Plan indicators, all indicators are either annually reported (Council Vision) or quarterly reported (Corporate Plan).

The KPIs are intended to remain in place for the whole of the period 2022-2026 to ensure continuity and comparability. There may be additional measures added during this period should they be required.

The Policy and Finance Committee are asked to approve the Council Vision indicators so these can be publicised both internally and externally and can be used to form the Directorate Plans which are in progress.

The Policy and Finance Committee are asked to approve the Key Performance Indicators (KPI's) so that these can be publicised both internally and externally and data can be collected on these from the end of the first quarter (ending June 2022) and reported to the Committee meetings which follow that quarter.

Should the Policy and Finance Committee not approve these indicators, the Key Performance Indicators for Q1 will not be finalised in time for reporting at Q1 2022 and the reporting of Q1 will be delayed until the indicators are agreed.

**2. PROPOSAL(S):**

The proposal is to approve the Council Vision indicators and Key Performance Indicators.

**3. OPTIONS:**

- i) To approve the Council Vision indicators and Key Performance Indicators
- ii) To not approve the Council Vision indicators and Key Performance Indicators and to seek further information.

**4. CONSULTATION:**

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

<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	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) Corporate Management Team		√

**6. IMPLICATIONS:**

The Council has approved the Council Vision for 2022-26. The Council needs to have the relevant Council Vision and Key Performance Indicators in place to ensure that all outcomes can be measured and reported to Committees and the public.

**7. REASON FOR THE DECISION:**

To ensure that the Council can measure and report on its progress against its performance targets and take the necessary actions where targets are not being met.

**8. BACKGROUND PAPERS:**

None

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## Appendix A – Council Vision Objectives and Outcomes list

### Council Vision 2022 - 2026

<b>Improving the wellbeing of Arun</b>		
<b>Overall Aims</b>		
A	Promote and support a multi-agency response to tackle the causes of health inequality in Arun's areas of greatest deprivation	
B	Champion leisure, culture and the Arts in Arun and encourage our community to embrace healthy and active lifestyles	
C	Work with partners to provide advice, support and activities that promote community wellbeing where it will have the greatest impact	
<b>How will we achieve this</b>		
1	Develop and Implement a Wellbeing Strategy to plan services, resources, amenities, activities, and places to help our community thrive.	
2	Prepare an annual community engagement plan to promote healthy and active lifestyles and encourage participation in a wide ranged 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	Support the NHS Clinical Commissioners to provide primary care medical and dental facilities to meet the growing needs of our community	
5	Support the voluntary and community sector to provide services that help the most vulnerable in our community	
6	Provide infrastructure that supports wellbeing, e.g. more opportunities for cycling and walking and easily accessible and safe greenspace.	
7	Support those who are homeless, street homeless or at risk of homelessness in emergency or temporary accommodation to improve health outcomes	
<b>Indicators to measure outcomes</b>		
Indicator	How to measure	
1	Wellbeing clients satisfaction rating	90%
2	Wellbeing clients reporting that one or more of their lifestyle goals has been achieved (3 months after the conclusion of the intervention)	80%
3	Upgrade to BR Leisure Centre wetside	Key 2022/23 milestones
4	Upgrade to Alexandra theatre	Key 2022/23 milestones
5	Adopt public art strategy	Key 2022/23 milestones
6	Develop and adopt a Wellbeing Strategy and Action Plan	Key 2022/23 milestones
7	Agree a statement on the future provision of medical and dental services across the District	Key 2022/23 milestones
8	Specific initiatives with partners (Age UK, CAB, Safer Arun Partnership, Artwork, Freedom Leisure etc)?	Key 2022/23 milestones
9	Number of council housing fraud cases prevented or properties recovered	15
10	Average length of stay in temporary accommodation – 15 months/64 weeks	15 months/64 weeks
11	Average length of stay in emergency	3 months/12 weeks

## Appendix A – Council Vision Objectives and Outcomes list

	accommodation – 3 months/12 weeks	
12	% of council homes that are SAP C rating and above	For social housing aim is to achieve SAP C rating by 2030. We will measure progress year on year. Start with a baseline of the number of properties that are SAP C and above and every year over the course of the corporate plan report the revised number. Milestones will be incremental increase year on year until we meet 2030 target
13	Complete Annual Community Engagement Plan and implement Work Plan to encourage participation completed	Annual Community Engagement Plan completed and Work Plan implemented
14	Improve our green spaces	Number of green spaces improved

<b>Delivering the right homes in the right places</b>		
<b>Overall Aims</b>		
A	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.	
B	Maximise opportunities to improve the energy efficiency of homes in the District.	
C	Support those in our community that need help, providing a safety net where necessary and working with people and organisations to meet different needs.	
<b>How will we achieve this</b>		
1	Support households with complex needs to secure suitable accommodation	
2	Maximise the delivery of affordable housing including utilising the council's own resources and commercial expertise	
3	Improve the energy efficiency of homes across all tenures	
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	
6	Ensure the existing housing stock in the district (Private Sector and Council owned) is maintained to a high standard	
7	Continue to bring empty homes back into use for the benefit of the community	
<b>Indicators to measure outcomes</b>		
Indicator	How to measure	
1	Number of new affordable homes built or purchased per year (this will include the number of homes delivered through the Housing Revenue Account)	Number of new homes built
2	Number of new homes that are suitable for wheelchair users	Number of new homes that are suitable
3	Commission reports on 5 year housing supply and Market Absorption and implement recommendations	Reports commissioned
4	Satisfaction survey of residents in completed developments (at least 12 months)	Undertake survey of residents on selected sites
5	Number of households supported with complex needs	Number of households supported
6	Number of empty homes bought back into	Number of empty homes bought back into use



## Appendix A – Council Vision Objectives and Outcomes list

	use	
7	Number of Council homes that meet the current statutory minimum standard for housing	Number of Council homes that meet the required standard

<b>Supporting our environment to support us</b>		
<b>Overall Aims</b>		
A	To consider climate change, sustainability, biodiversity and the environment in everything the Council is responsible for and encourage its community and local businesses to do the same	
B	Protect and enhance our natural environment.	
C	Regularly review progress toward Arun's Carbon Neutral Strategy (2022-30) as set out in the annual Climate Action and Biodiversity WorkPlan	
D	Make low carbon transport including walking, cycling, travel by public transport and electric vehicle easy, convenient and pleasant and a fundamental part of our placemaking	
<b>How will we achieve this</b>		
1	Develop and implement the Carbon Neutral Strategy and Climate Change and Biodiversity Strategies for the Council and for the wider district through Planning Policy	
2	Review the Council's estate and seek to maximise the use of renewable or alternative energy generation, including the installation Electric Vehicle charging Points	
3	Engage and incentivise business to commit to working practices which minimise their impact on the environment	
4	Support information campaigns that promote carbon reduction and funding opportunities	
5	Working with our community improve waste reduction and recycling to meet future targets of 55% recycling by 2025 and 60% by 2030.	
6	Ensure that climate change and sustainability is at the heart of all Council services	
7	Support the Sussex Bay Project to restore marine, coastal and intertidal habitats to improve the biodiversity and carbon footprints of the district.	
<b>Indicators to measure outcomes</b>		
Indicator	How to measure	
1	Annual reduction in CO <sub>2</sub> e	Year Annual Reduction CO <sub>2</sub> E (T) 2022-2023 1,961.9 2023-2024 1,765.7 2024-2025 2,383.7 TOTAL 7,143.8
2	Achieve Green Flag awards for Council parks	8
3	3000 trees to be planted per year	3000
4	Inspection of all Arun District Council coastal defence assets	Completion of an inspection programme at frequency determined by risk, reported annually
5	% of Council homes that are SAP C rating and above	For social housing aim is to achieve SAP C rating by 2030. We will measure progress year on year. Start with a baseline of the number of properties that are SAP C and above and every year over the course of the corporate plan report the revised number. Milestones will be incremental increase year on year until we meet 2030 target
6	Adopt biodiversity action plan	Including any key milestones for 2022/23

## Appendix A – Council Vision Objectives and Outcomes list

7	Recruit ecologist to support implementation of Biodiversity Net Gain and create and implement workplan	Successful recruitment, creation of workplan
8	Other climate related strategies and milestones for 2022/23 including: <ul style="list-style-type: none"> <li>• Engaging and incentivising businesses to commit to working practices which minimise their impact on the environment</li> <li>• Supporting information campaigns that promote carbon reduction and funding opportunities</li> <li>• Supporting the Sussex Bay Project to restore marine, coastal and intertidal habitats to improve the biodiversity and carbon footprints of the district.</li> </ul>	Number of strategies created and milestones achieved
9	Change committee report template to consider climate change and sustainability	Reports changed and adhered to
10	Number of Electric Vehicle Charging points installed	Number of sockets installed as part of county network within Arun
11	Number of metres of new cycleway	Number of metres of cycleway delivered

### Fulfilling Arun's economic potential

#### Overall Aims

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

#### How will we achieve this

1	Create the conditions that will support high tech businesses including the creative digital sector and green businesses, reducing the need for the workforce to commute out of the District.
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	Work with partners to support 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 of Chichester 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 strategies which support vibrant and attractive town centres
6	Positive and focused promotion of Arun's tourist destinations as more than a 'day trip'
7	Support the delivery of more accommodation for visitors to the district

#### Indicators to measure outcomes

Indicator	How to measure
1 Amount (HA) of employment land developed for employment uses	2

**Appendix A – Council Vision Objectives and Outcomes list**

2	Number of jobs created	Number of jobs created
3	Increase to average wages and household income	Improvement on previous year
4	Increase in number of economically active population	Improvement on previous year
5	Commission and carry out tourism marketing campaign	Campaign completed
6	Increase in number of visitors, length of stay and visitor spend	Improvement on previous year
7	Number of new hotel and new holiday accommodation beds provided	Improvement on previous year
8	Develop business support programme to move to digital and modern ways of working	Workplan achieved
9	Review town centre masterplans and support high streets	Spend of allocations in annual budget

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Council Vision Theme	No.	Service Area	Indicator	Target 2022-2026	Frequency data collected
Corporate	CP1	Information Management	Number of Stage2 corporate complaints resolved	10	Monthly
	CP2	Information Management	% of corporate complaints responded to in 10 working days	90%	Monthly
	CP3	Information Management	% of FOI requests responded to in 20 working days	75%	Monthly
	CP4	HR	Sickness absence	% figure - no target	Monthly
	CP5	HR	Staff turnover	% figure - no target	Monthly
	CP6	Health & Safety	Compliance with Health and Safety programme	100%	Monthly
	CP7	Customer Services	Average call wait time (secs) for the last month	Figure reported - no target	Monthly
	CP8	Revenues and Benefits	Business rates collected	97%	Monthly
	CP9	Revenues and Benefits	Council tax collected	96.50%	Quarterly
	CP10	Policy	The level of public satisfied or very satisfied with the overall quality of the Council's services (CP1)	75%	Annual
Improving the Wellbeing of Arun	CP11	Wellbeing	Number of Visits to Council Leisure Centres	956, 650	Monthly
	CP12	Cleansing	Number of missed refuse and recycling collections per 100,000 within contractual target	80	Monthly
	CP13	Environmental Health	Food businesses with food hygiene ratings of 3 (satisfactory and above)	93%	Monthly

	CP14	Revenues and Benefits	Time taken to process Housing/Council Tax Benefit new claims and changes in circumstances	8 days	Monthly
Delivering the right homes in the right places	CP15	Housing	Average days to re-let all properties (key to key) excluding major voids	Q1 70 60 Q3 50 Q4 40	Q2 Monthly
	CP16	Housing	Of homeless cases owed a prevention duty, % successfully resolved	55%	Quarterly
	CP17	Housing	Of homeless cases owed a relief duty, % positively relieved	35%	Quarterly
	CP18	Housing	Number of Housing Register applications activated 'live' within 15 working days upon receipt of all verification documents	75%	Quarterly
	CP19	Housing	Rent collected as a proportion of rent owed (dwellings)	97%	Quarterly
	CP20	Housing	Percentage of non-emergency repairs completed within 20 working days	90%	Quarterly
	CP21	Environmental Health	Vacant private sector dwellings returned to occupation	50	Quarterly
	CP22	Environmental Health	% of licence applications determined within the various statutory or service time limits	90%	Quarterly
	Supporting our environment to support us	CP23	Cleansing	Residual household waste per household per annum	450kg

Page 249	CP24	Cleansing	Household waste sent for re use, recycling and composting. 50% annual target. (Increase and improve our recycling to meet future target of 55% recycling by 2025 and 60% by 2030. This will be achieved through and the introduction of measures such as food waste collection to encourage wholesale behaviour change based on the premise of 'reduce, reuse' recycle' to our residents and businesses)	50%	Quarterly
	CP25	Cleansing	Contractor achieving performance target for all green space management operations following monitoring	>66%	Quarterly

Council Vision Theme	No.	Service Area	Indicator	Target 2022-2026	Frequency data collected
Fulfilling Arun's economic potential	CP26	Planning	Major applications determined in 13 weeks or agreed extension of time	80%	Monthly
	CP27	Planning	Minor applications determined in 8 weeks or agreed extension of time	90%	Monthly
	CP28	Planning	% of other applications determined in 8 weeks or agreed extension of time	90%	Monthly
	CP29	Planning	Average number of days to determine householder application	55	Monthly



CP30	Planning	Average number of days to determine other applications	55	Monthly
CP31	Planning	Average number of days to determine applications - Trees	40	Monthly
CP32	Planning	Average number of days to determine application - Discharge of Condition	40	Monthly
CP33	Planning	Average number of days to determine major planning applications	120	Monthly

CP34	Planning	Average number of days to determine minor planning applications	55	Monthly
CP35	Planning	% of planning applications registered within 5 days	70%	Monthly
CP36	Planning	Number of new homes completed	1288 (22/23) 1247 (23/24) 1059 (24/25)	Monthly
CP37	Building Control	Building Regulation submissions processed within 5 weeks (or 2 months if client requests extension)	100%	Monthly

CP38	Building Control	% of Building Regulation submissions assessed within 21 days of date of deposit with the Council	60%	Monthly
CP39	Building Control	% of Building Control applications registered within 3 days	60%	Monthly
CP40	Building Control	Building control site inspection dealt with within one day	100%	Monthly
CP41	Economy	Occupied retail units in Littlehampton	90%	6 monthly

	CP42	Economy	Occupied retail units in Bognor Regis	90%	6 monthly
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