

ECONOMY COMMITTEE

1 February 2024 at 6.00 pm

Present: Councillors Nash (Chair), Walsh (Vice-Chair), Bence (Substituting for Councillor Edwards), Cooper, Gunner, Lawrence, Lloyd, Needs, Northeast, Penycate and Stanley.

[Note: Councillor Lloyd was absent from the meeting during consideration of the matters considered in the following items of business – Minute 596 to Minute 605 (Part)].

Councillor Goodheart was also in attendance at the meeting.

596. APOLOGY FOR ABSENCE

An Apology for Absence had been received from Councillor Edwards.

597. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

598. MINUTES

The minutes of the Special Meeting of the Economy Committee meeting held on 20 November 2023, were approved by the committee as a correct record, subject to two minor adjustments being made as set out below:

- That Councillor Pendleton is recorded as being present and a substitute for Councillor Edwards; and
- That Councillor Yeates is recorded as being present and a substitute for Councillor Stanley

The Chair confirmed that he would sign the minutes at the conclusion of the meeting.

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

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

600. PUBLIC QUESTION TIME

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

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601. COMMITTEE REVENUE AND CAPITAL BUDGETS 2024/25 - ECONOMY

The Group Head of Finance and Section 151 Officer presented his annual budget report which was asking the Committee to consider and recommend its revenue budget for inclusion in the Council's overall 2024/25 revenue budget as set out in Appendices A and B of the report. The recommendations would firstly be submitted to the Policy & Finance Committee on 8 February 2024 which would consider the overall revenue and capital budgets for 2024/25 so that recommendations could be made to a Special Meeting of the Council on 21 February 2024 regarding the budgets to be set and level of Council Tax for the district for 2024/25.

The Group Head of Finance and Section 151 Officer in providing some background to the report stated that forecasting remained problematic due to ongoing inflationary pressures and the volatility around various other external factors affecting the economy and therefore budgets had been compiled using the best information available.

Members' attention was drawn to the fact that the net change in the revenue budget between 2022/24 and 2024/25 represented an increase of £94k and the key changes had been set out in Paragraph 4.4 of the report with the headline items being salary inflation and property cost increases. The gross total of increases had been offset by savings items as detailed in Paragraph 4.5 totalling £56k. It was confirmed that there were no new capital schemes in the programme, however, further information on this would be provided as part of the next agenda item when the Committee would receive its Budget Monitoring Quarter 3 Report.

Having had the recommendations in the report proposed by Councillor Walsh and seconded by Councillor Stanley,

The Committee

RESOLVED – That

- (1) It agrees the 2024/25 Revenue Budget as illustrated in Appendix A of the report; and
- (2) Agrees the 2024/25 Capital Programme as illustrated in Appendix B of the report.

The Committee also

RECOMMEND TO THE POLICY & FINANCE COMMITTEE

That the Revenue Budget for the Economy Committee be included in the overall General Fund Budget when the Policy & Finance Committee considers the overall budgets at its meeting on 8 February 2024.

602. QUARTER 3 BUDGET MONITORING REPORT

The Group Head of Finance and Section 151 Officer presented the Committee's Budget Monitoring Report setting out its forecast outturn against the 2023/24 budget, approved by Full Council in March 2023 covering the period up to 31 December 2023.

The report anticipated an overspend of £118k, which was an adverse movement of £76k against the £42k overspend reported to the Committee at Quarter 2. The significant changes had been set out in Paragraph 4.2 of the report and related to salary costs. It was explained that the Finance Section was looking to drive these costs down by charging costs against capital schemes, funding permitting and subject to ongoing further work.

There were no additional schemes to include within the capital programme, as confirmed at the last agenda item, however, there were slippages to note from the previous year of £2,933k as set out Table 2 forming part of Paragraph 4.3 of the report. Updates would be reported to Members during the 2024/25 year.

The Committee noted this report.

603. APPROACH TO PUBLIC CONSULTATION

The Group Head of Technical Services presented his report which sought the Committee's approval to an approach that Officers wished the Committee to consider adopting to determine when to undertake non-statutory public consultation on proposed projects that came before the Committee for decision. This was because it was recognised that it was important for the Council to receive feedback and to listen to and learn from local people on selected projects that ranged from a small individual property up to a multi-million regeneration project.

If the Committee chose to adopt the recommendation, the suggested approach was to confirm within the Committee's work programme, whether or not non statutory public consultation was proposed on a project prior to the report being presented to the Economy Committee for consideration. It was explained that this would avoid the need for two reports having to be presented to the Committee, one to seek approval for consultation with the other setting out the findings for the Committee to consider.

Before entering debate, Councillor Walsh proposed the recommendations which were then seconded by Councillor Stanley.

Following much debate and queries raised as to how this would work,

The Committee

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## RESOLVED

That agreement be given to amend the format of the Economy Committee's work programme to include a statement on whether or not public consultation is proposed to take place in advance of an item's consideration by the Committee. In future, by noting the work programme the Committee will be approving the proposed approach to public consultation for the items on the work programme.

### 604. KIOSK LETTINGS STRATEGY

The Committee received a report from the Property, Estates and Facilities Manager presenting a Kiosk Lettings Strategy which the Committee was being asked to adopt. It was explained that this strategy would confirm the Property, Estates and Facilities services' approach to managing kiosk opportunities across the district. It would also assist that team in maximising the income stream from kiosk sites. The strategy would provide a clearly defined approach to realising such opportunities and achieving best value. Pop-up type concessions had not been operating since before the Covid-19 Pandemic and so the adoption of the strategy would enable those opportunities. It defined the classification of kiosk assets; it set out the means of marketing opportunities; and approach to assessing bids and an outline of the terms that all operators would be required to adhere to.

Prior to commencing debate on this item, the recommendations were proposed by Councillor Walsh and seconded by Councillor Stanley.

Various observations were made by Members. A request was made that the Strategy be updated to correct some typographical issues. In terms of the proposals queries were then raised over tenure as the Strategy confirmed that opportunities would not be let for any term exceeding 36 months. A question was also asked about the use of diesel or petrol generators. The strategy stipulated rulings around generator use, but a member queried if such generators should be used since the Council had declared a climate emergency some time ago. How many kiosks used generators and how many had access to full power?

In response it was confirmed that the Strategy could be reproduced once adopted by the Committee to address the typographical issues identified. It was confirmed that the duration of 36 months had been applied with a pragmatic approach in mind, they were relatively high turnover which was resource intensive, and the strategy needed to allow for a change in opportunities for those operating those outlets and also for members of the public. This was a timeframe that had been chosen on a pragmatic basis. Unfortunately, it could not be confirmed at the meeting those sites that did or did not have fixed power, an assumption was made that the fixed sites, that were let out on a seasonal basis, all had fixed power. Generators tended to be used for mobile outlets.

Other questions raised covered rental costs and reassurance was sought that all lettable units had received realistic rentals to ensure that the Council was receiving an appropriate level of rental income and in recognition that some sites had been enhanced and that footfall had substantially increased. In response, it was confirmed that this was kept under constant review and as and when sites became vacant, they were let in accordance with Council policy. Continuing with the debate on the levels of return from rents, Officers were asked if they had looked at what sort of level of return the Council would receive versus the resource that was required to manage this work. It was explained that analysis had not taken place in detail as some of the outlets had not been delivered for some time and so this information was not available.

It was confirmed that the intended units forming the Levelling-Up Fund Littlehampton Seafront project would be included as part of this strategy.

Approval was given by the Committee for a non-committee member to address the meeting. Questions were asked about certain the location of some outlets in and around Bognor Regis which were responded to at the meeting.

Following further debate,

The Committee

RESOLVED – That

- (1) It approves the adoption of the proposed Kiosk Lettings Strategy; and
- (2) It delegates authority to the Group Head of Technical Services to make minor amendments to the strategy including to the appended list of sites to which it applies.

605. LITTLEHAMPTON TOWN CENTRE IMPROVEMENTS – PHASE 1 (TERMINUS ROAD)

The Committee received an update report from the Group Head of Economy which was asking the Committee to note the completion of the public realm works to Littlehampton Town Centre. This was Phase 1 out of a five phased programme of improvements. Phases 2 and 3 had already been completed, mostly with external funding that the Council had received. Unfortunately, the Council had not received the funding required to complete any other phase. Funding had been received from West Sussex County Council to complete Phase 1 [from the railway station along to Terminus Road] and the report before Members highlighted what had been achieved in the delivery of that and other phases and the lessons learned from that process.

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The Chair invited debate. Congratulations and thanks were extended to the Economy team for their part in deploying this work. Questions were also raised in terms of completing Phases 4 and 5 which were subject to receiving external grants that were required to deliver these phases. Questions were asked as to whether the underspend referred to within the report could be used to deliver these phases and could WSCC be approached to see if this might be possible. This approach was agreed, and the Group Head of Economy agreed to enter into these discussions.

Following on from that discussion, the Committee then debated which out of phases 4 and 5 should proceed first and could lighting be provided to enhance the war memorial on completion of that phase.

Having debated the 'dig once approach' as some length, the Committee then noted the report.

*(During the course of the discussion on this item, Councillors Bence and Walsh both declared their Personal Interests as Members of West Sussex County Council).*

606. OUTSIDE BODIES - UPDATE

There were no updates provided to the meeting.

607. WORK PROGRAMME

In receiving and noting its work programme for the remainder of the municipal year, the Committee received confirmation of two items that needed to be added to the Work Programme for the Committee's next meeting on 16 April 2024, these were:

- An update report on the Brewers Fayre site; and
- An update on the Bognor Regis Arcade

The Chair was asked if a report concerning the provision of a concession outside of the Brewer's Fayre Pub was due. The Interim Joint Chief Executive and Director of Growth confirmed that this was not planned for the next meeting of the Committee, however, consideration would be given to the item in planning the Committee's Work Programme for the new Municipal Year 2024/25.

608. EXEMPT INFORMATION

Having been proposed by Councillor Walsh and seconded by Councillor Bence,  
The Committee

RESOLVED

That under Section 100a (4) of the Local Government Act 1972, the public and accredited representatives of newspapers be excluded from the meeting for the following item of business on the grounds that it may involve the likely disclosure of exempt information as defined in Part 3 of Schedule 12A of the Act by virtue of the paragraph specified against the item.

609. WATERLOO SQUARE OPTIONS - UPDATE [EXEMPT - PARAGRAPH 3 - INFORMATION RELATING TO THE FINANCIAL OR BUSINESS AFFAIRS OF ANY PARTICULAR PERSON (INCLUDING THE AUTHORITY HOLDING THAT INFORMATION)]

The Property, Estates and Facilities Manager provided members with and update on the Waterloo Square project and following their consideration of this matter at a meeting of the Economy Committee held on 13 June 2022.

Following a debate where members asked questions and received answers from officers, Members noted the update provided.

Having had the recommendations proposed by Councillor Stanley and seconded by Councillor Needs,

The Committee

RESOLVED – That

- (1) Approval be given for Officers to continue to pursue the resolution of Minute 66 of the Economy committee held on 13 June 2023, subject to B5 Limited extinguishing the identified lease option; and

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(2) Approval be given to Officers to undertake a business case appraisal of the potential planning gain and in-house development of a scheme for the site, thus enabling the further exploration of the options set out below:

- Acquire leasehold interests and seek to achieve comprehensive planning consent which maximises the potential of the site and value ahead of marketing; and
- Acquire leasehold interests and seek to achieve comprehensive planning consent for Arun District Council to complete the approved development itself.

(The meeting concluded at 7.12 pm)