

ECONOMY COMMITTEE

22 October 2024 at 6.00 pm

Present: Councillors Nash (Chair), Woodman (Vice-Chair), Mrs Cooper (Substitute for Pendleton), Cooper, Edwards, Gunner, Lawrence, Northeast, Oppler, Penycate and Stanley

Councillors Mrs Bower, Bower, Elkins, Goodheart, Kelly and Turner were also in attendance for all or part of the meeting.

[Councillor Oppler was absent from the meeting during the consideration of the matters referred to in the following minutes 217 – 225]

209. APOLOGIES

Apologies were received from Councillor Pendleton, who was substituted by Councillor Alison Cooper.

210. DECLARATIONS OF INTEREST

Councillor Alison Cooper declared a Personal Interest in agenda items 6 [Additional Beach Hut Consultation] and Item 13 [Little Stars Nursery Ascot Way Lease Renewal Proposal] as a Rustington Parish and west Sussex County Councillor.

Councillor Andy Cooper declared a Personal Interest in agenda items 6 [Additional Beach Hut Consultation] and Item 13 [Little Stars Nursery Ascot Way Lease Renewal Proposal] as Vice-Chair of Rustington Parish Council.

Councillor Gunner declared a Personal Interest in agenda item 13 [Little Stars Nursery Ascot Way Lease Renewal Proposal] as he had family members living in the surrounding roads.

Councillor Northeast declared a Personal Interest as a member of Littlehampton Town Council.

211. MINUTES

The minutes of the previous Special meeting of the committee held on 12 September 2024, were approved by the Committee and signed by the Chair.

212. 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

There were no urgent items presented at the meeting.

Economy Committee - 22.10.24

213. PUBLIC QUESTION TIME

The Chair invited questions from the member of the public who had submitted their questions in advance of the meeting in accordance with the Council's Constitution.

(A schedule of the full questions asked, and the responses provided can be found on the meeting's webpage at: [Arun District Council](#))

The Chair confirmed that thirteen questions had been submitted for this meeting.

The Chair then drew Public Question Time to a close.

214. ADDITIONAL BEACH HUT CONSULTATIONS

(Councillor Alison Cooper redeclared a Personal Interest in this agenda item [Additional Beach Hut Consultation] as a Rustington Parish and West Sussex County Councillor.

Councillor Andy Cooper declared a Personal Interest in this agenda item 6 [Additional Beach Hut Consultation] as Vice-Chair of Rustington Parish Council.)

The Chair invited the Property, Estates and Facilities Manager to present the report to the Committee which set out options for potential sites for new Beach Huts to be built. The report followed a previous report submitted to the April 2024 meeting of the Committee where members instructed Officers to undertake consultation with Parishes and Town Councils and Ward Members and report its findings back to the Committee. The requested consultation was now complete, and the responses had been reported factually within the report. He confirmed that all consultation responses had been considered and had highlighted several matters which would be investigated further for any sites that were to be considered for further progression. However, at this stage, there was no change to the known barriers to practical delivery at any of the considered sites, as legal due diligence, scheme design, and business case testing was yet to be undertaken. The Officer recommended list of proceedable sites had therefore remained unchanged. It was expected that the Committee may debate the merits and impact of the representations which had been made, and potentially amend the selection of sites for further consideration. He explained that regardless of which sites Committee resolved should proceed, the Officer recommendation would undertake full legal due diligence and public consultation simultaneously as the next stage to progress this piece of work. The reporting back to the Committee with the findings of that public consultation and legal due diligence, where draft scheme layouts and outline business cases for those sites considered viable would be presented. He then drew members attention to the supplementary agenda item that had been provided, which had originally been published as exempt but was now available with a small redaction. He confirmed that the redacted words would prejudice the Council's position with a separate potential land transaction, and it would therefore not be appropriate to discuss that element in open session.

Before inviting members to debate the Chair requested for members to propose and second the officer recommendations detailed in the report. The recommendations were proposed by Councillor Stanley and seconded by Councillor Northeast.

The Chair then suggested to members that at the end of debate, the committee took a separate vote on each site recommended. He then invited members who had indicated that they wanted to speak. The first member was Councillor Gunner, who started his speech by thanking all members of the public who had turned out to attend the meeting. He stated that when the report was first reported to committee in April 2024 he'd argued strongly against the proposal and since then, his view had harden. He did not understand why the council wanted to complete consultation on the sites as all of the sites identified had issues, he went on to say he believed some members of the committee may be in favour of removing site 7 from further progression and that this would satisfy all concerned, however, he explained that he wanted all sites removed from any further progression, explaining that discussion on beach huts had been had for a long time and the council had found itself 'being tied in knots, struggling to deliver beach huts'. He asked members how many of them became elected Councillors to deal with proposal such as this, and how many of them would be lobbying against this item if they were not an elected council member. He went on to highlight some of the issues related to the various sites, toilet provision, parking provision, sites located on private residential estates, connection to water supply, ecology concerns for site 6 as it (and others) had restrictions due to vegetation and shingle beaches and that many sites had covenants attached to them of which specifically for site 7 he confirmed one of the covenants specifically detailed 'no activity could be completed, that may cause an annoyance to the surrounding properties'. He then asked the public gallery to raise their hand if beach huts in the location would cause them an annoyance, to which the public gallery raised their hands. In summing up he raised concern at the suggestion of the Community Infrastructure Levy (CIL) being used as a source of funding that had been mentioned in response to one of the public questions that had been asked. He urged members to consider rejecting all sites proposed for further consideration due to the strength of feeling that had been made clear in the already received consultation responses received, and the clear strength of concern highlighted by the high public attendance at the meeting, further confirming he would support any amendment to remove any sites from further progression adding that members did not stand for election to put beach huts on greenswards, these were protected public open spaces in the councils Local Plan. He then requested that at the time the vote was taken these be recorded.

The Chair thanked the councillor for his interesting points made, however stated that members needed to balance those against the Councils Financial Strategy that had been agreed in 2023 where it outlined that the council needed to increase its revenue and income streams, and this should not be forgotten. He then invited the next member to speak, councillor Alison Cooper.

Before making her comments, Councillor Cooper redeclared her Personal Interest in this item. She then advised members that she had significant concerns regarding the amount of officer time that had already been expended on this item, suggesting that the demand for sites had not yet been explored fully, the beach huts

Economy Committee - 22.10.24

offered would have reduced accessibility and amenities and the increased costs associated, this work should have been completed before any feasibility studies were completed. She raised further concern relating to costs and potential financial return for the council not being realised for at least 15 years. She also stated that she felt the report had not addressed the parking concerns raised adequately. In addressing the issues relating to land covenants, she highlighted that the loss of green space was not supportive of the Councils' Local Plan or Parish Neighbourhood Plans. That she felt the council would be overlooking residents needs and wants should work progress and expected that there would be difficulties if any site reached Planning permission stage. In summing up she urged members to reject the proposals to move forward and let officers focus on work that would bring real, economic and financial benefit for the District.

The Chair then invited Councillor Andy Cooper to speak where he advised he was concerned at the lack of consultation with some of the neighbouring Parishes who would be directly impacted should those sites be progressed. He explained that he could not support any of the sites and would like to see all rejected.

Councillor Northeast was next to address the committee where he stated that what initially looked like a potentially good revenue opportunity to consider, had now transpired not to be the case. He stated that he believed that beach huts should be a part of seaside towns, but he wondered if those on the current waiting lists for a beach hut had been consulted, and how would they feel about the sites that had no water supply, lack of parking and no other amenities nearby. He then raised concerns at the usage of the beach huts currently in situ at Littlehampton, stating he didn't believe they were very well used. He suggested the Tourism potential should be reviewed to ensure that if any sites were to progress that they would be used by those visiting the district. He then asked officers if the business case had been completed yet, where it was confirmed that business case appraisals had not yet been completed or looked at as officers had focused on undertaking the consultation request as directed by the committee at its April 2024 meeting.

Councillor Stanley was next to be invited to speak, he thanked the public for attending the meeting and said it was encouraging to see so many people taking the time to attend and engage with the council. He then thanked officers for the report and reminded all, that officers undertake instruction from members of which this report returning to committee was one. He believed that detailed consultation had been completed and did not like the implications made that those officers had ignored things. It was for members to review the report as presented and then make a decision. He addressed comments he had heard during debate regarding the financial impacts by reminding members that it was made clear that this consultation would be done without that being completed at the meeting in April. He confirmed his support for comments made by Councillor Northeast relating to those on the waiting list for beach huts and the potential tourism interest in the listed report being known. His final point highlighted was that the response to the consultation that had been undertaken for the report showed the importance of the process.

The Chair then invited Councillor Penycate to speak where she spoke to her concerns relating to the sites that would see beach huts in place so close to residential properties, memorial benches, and footpaths stating that she did not feel these were appropriate locations. She did confirm that she could support the proposal for site 4.

As there were no other members of the Committee wanting to speak, the Chair confirmed with the committee members that they were happy to hear from some of the non-committee members that had indicated they wanted to address the committee, this was agreed. The Committee then heard from 5 non-committee members who all raised various concerns relating to the proposed sites.

After the committee had heard from those non-committee members, the Chair returned to the seconder and proposer of the officer recommendation, who both confirmed they had nothing further to add. The Chair then confirmed that a recorded vote had been requested and that except for recommendation 2.2 which would be taken as one vote, each of the remaining sites would be voted on individually. Before the vote was taken Councillor Gunner asked for assurance that should any sites that were to be agreed to be removed, would not return and other sites would not be added for consideration at a later date.

The results of each of the recorded votes are below.

2.2 that further consideration of sites 1 (Bognor Regis Promenade (shingle) between the pier and Alexandra Theatre), 2 (Bognor Regis Promenade (shingle) between Albert Road and Gloucester Road), 5 (Blakes Road and Culver Road greensward areas, Felpham) and 6 (Littlehampton Promenade (shingle) between Beach Crescent and Handon Avenue) be halted.

Those voting For (11) Cooper, Mrs Cooper, Edwards, Gunner, Lawrence, Nash, Northeast, Oppler, Penycate, Stanley and Woodman.

2.3 To proceed in exploring the potential for new beach hut installations at Site 3 (Bognor Regis Promenade (rear of prom) between Gloucester Road and Longbrook Park)

Those voting FOR (5) Nash, Northeast, Penycate, Stanley and Woodman, Voting AGAINST (5), Cooper, Mrs Cooper, Edwards, Gunner and Oppler, Voting to ABSTAIN (1) Lawrence. As the vote was tied the Chair used his casting vote which was FOR. Therefore, this site was approved to proceed.

2.4 To proceed in exploring the potential for new beach hut installations at Site 4 Longbrook Park, Felpham)

Those voting FOR (6) Lawrence, Nash, Northeast, Penycate, Stanley and Woodman, voting AGAINST (4) Cooper, Mrs Cooper, Edwards, and Gunner, voting to ABSTAIN (1) Oppler. Therefore, this site was approved to proceed.

2.5 To proceed in exploring the potential for new beach hut installations at Site 7 (Overstrand Avenue greensward, Rustington)

Economy Committee - 22.10.24

Voting result, voting FOR (0), AGAINST (11), Cooper, Mrs Copper, Edwards, Gunner, Lawrence, Nash, Northeast, Oppler, Penycate, Stanley and Woodman, ABSTAIN (0) Therefore this site was not approved to proceed.

2.6 To proceed in exploring the potential for new beach hut installations at Site 8 (South Strand shingle beach, East Preston)

Voting result, voting FOR (0), AGAINST (11), Cooper, Mrs Copper, Edwards, Gunner, Lawrence, Nash, Northeast, Oppler, Penycate, Stanley and Woodman, ABSTAIN (0) Therefore this site was not approved to proceed.

2.7 To proceed in exploring the potential for new beach hut installations at Site 9 (West Kingston shingle beach and greensward)

Voting result, voting FOR (0), AGAINST (11), Cooper, Mrs Copper, Edwards, Gunner, Lawrence, Nash, Northeast, Oppler, Penycate, Stanley and Woodman, ABSTAIN (0) Therefore this site was not approved to proceed.

2.8 To proceed in exploring the potential for new beach hut installations at Site 10 (Ferring Rife to Sea Lane greensward, Ferring)

Voting result, voting FOR (0), AGAINST (11), Cooper, Mrs Copper, Edwards, Gunner, Lawrence, Nash, Northeast, Oppler, Penycate, Stanley and Woodman, ABSTAIN (0) Therefore this site was not approved to proceed.

The Committee

RESOLVED

2.2 that further consideration of sites 1 (Bognor Regis Promenade (shingle) between the pier and Alexandra Theatre), 2 (Bognor Regis Promenade (shingle) between Albert Road and Gloucester Road), 5 (Blakes Road and Culver Road greensward areas, Felpham) and 6 (Littlehampton Promenade (shingle) between Beach Crescent and Handon Avenue) be halted.

2.3 To proceed in exploring the potential for new beach hut installations at Site 3 (Bognor Regis Promenade (rear of prom) between Gloucester Road and Longbrook Park) and at Site 4 Longbrook Park, Felpham)

2.4 Not to proceed in exploring the potential for new beach hut installations at Site 7 (Overstrand Avenue greensward, Rustington), Site 8 (South Strand shingle beach, East Preston), Site 9 (West Kingston shingle beach and greensward) and Site 10 (Ferring Rife to Sea Lane greensward, Ferring).

The Chair then announced a 20-minute adjournment at 19:24 to be taken to allow for those in the Public Gallery who wanted to leave the meeting and for members and officers to take a comfort break. The meeting readjourned at 19:39.

215. BUDGET MONITORING REPORT TO 30 JUNE 2024

The Group Head of Finance and Section 151 Officer introduced the report, that covered the Quarter 1 outturn for financial year 2024/25 and advised members the forecast showed a £30,000 overspend against the committee budget, he confirmed that the variance was due to a £43,000 overspend on property and estates management for a project officer role to undertake the office accommodation review, which was slightly offset by income received from office space that had been leased in the Civic Centre. The table on paragraph 3.2 detailed the savings approved by the committee in 2024/25 budget setting process. Finally, he drew members attention to paragraphs 3.5 and 3.6 on page 18 Table 3, which showed estimated capital slippage on the Bognor Regis Arcade.

The Chair thanked the officer and then invited members to make comment on the report. It was asked why there had been slippage on the Bognor Regis Arcade project, the Director of Growth advised that this was due to a range of factors including resource, development of the scheme and alternatives being considered. He confirmed that the team had spent a lot of time working on the budget but there had been significant financial challenges to continue to overcome. In response to the answer provided it was asked if the council had budgeted incorrectly or what had specifically changed to cause the slippage being reported. The Director of Growth confirmed that when developing a project, officers try to understand the expenditure of the project over multiple years. For this project we haven't incurred all of the expenditure as forecast for this financial year, and therefore that spending would move to the following financial year. It was then asked if the project would still be delivered on time or would this be dependent on where the spending fell, it was advised that a written answer would be provided for this question, it was then requested if that written answer could also include if there were concerns regarding team resourcing that would impact the remainder of the project.

As there were no other questions, members noted the report.

216. DRAFT FINAL OUT-TURN - 2023/24

The Group Head of Finance and Section 151 Officer provided members with an overview of the report advising the figures were still subject to final external audit. He referred members to Table 1 at paragraph 4.1 of the report where it outlined the Economy Committee's draft revenue final out-turn position for 2023/24, revealing an underspend of £494,000, advising that this marked a positive shift of £612,000 from the £118,000 overspend reported in Quarter 3. Main variances were outlined in paragraphs 4.3 to 4.4, drawing members attention to the economic regeneration slippage which

Economy Committee - 22.10.24

was due to a budget provision that was made and was not required for 2023/24 relating to external funding from West Sussex County Council. This had been carried forward into 2024/25. Paragraph 4.3 included further details. The Capital programme showed further slippage, as detailed in paragraph 4.6. and paragraph 4.9 cross referred to Bognor Regis Arcade issue explained in the previous report. Referring to earlier questions raised on project spending slippage he explained that slippage was not the same as a project underspend and the council was developing how it reported capital project budgets and their 'whole life project'.

The Chair invited questions from members where Councillor Gunner stated that in a previous Committee meeting, he had raised that the council had large amounts of slippage across many of its projects, which had led to delays, however he was told that this was not true. He went on to ask for clarity regarding if this amount of capital slippage that had been reported was to be expected every year or did the council need to change to stop this. The Director of Growth stated that the council did need to do better for its timings of its programme of projects as it often took an overly positive view on delivery. Councillor Northeast then asked questions relating to Table 1 where it detailed the £69,000 overspend on administrative buildings and facilities management what specifically caused this and in paragraph 4.3 there was a documented that £8,000 in delay computer software spend and that the housing management system would not go live until May 2024, is that correct or has it already gone live. It was confirmed that the £8,000 referred to the property and estates team use of the system as their asset management system, the delays seen with the project had caused an impact therefore on the committee's expenditure. Regarding the overspend on administrative buildings and facilities management a written answer would be provided.

Members then noted the report.

217. BUDGET 2025/26 PROCESS

The Group Head of Finance and Section 151 Officer advised members that the report outlined the process to be followed for the upcoming Budget 2025/26 and that members were being asked to note the report and provide any comment.

During debate it was asked if the budget process to be followed would include member consultation, it was advised that member briefings would take place, however it was important that members noted there would not be a list of savings presented as was seen in last year's process and that the main document that members should familiarise themselves with was the Financial Strategy that had been agreed by Policy & Finance Committee on the 8 January 2024. Members were also reminded that reports would be taken to each service committee. Councillor Stanley stated that he was pleased to hear that briefings would take place again this year and supported the officer response on member consultation taking place as each committee received its report, advising that it was members choice to take part in each meeting for that consultation.

The Chair then obtained permission from the committee to invite non-committee member Councillor Elkins to address the committee, where he referred to financing for work to be undertaken for Ferring Rofe Car Park, he asked if there would be provision within the budget to move this process along. Officers advised a written answer would be provided.

The Committee noted the report.

218. ASSET REVIEW

The Chair invited the Group Head of Technical Services to present the report to members, where he advised that earlier in the year the council adopted its Financial Strategy to address its structural budget deficit, one of the strands of the strategy was a commitment to undertake a review of the council's land and property assets. The purpose was to identify opportunities to save money, generate additional revenue and identify capital receipts where retention of the asset was no longer appropriate. The report sought approval to set up a task and finish Working Party as part of the review to identify those opportunity within the general fund assets. The review would also inform the first element of the review update of the council's asset management strategy. The working party was intended to form a structured means of engaging members in order to provide recommendations to the Economy Committee for decision-making. He confirmed that the Terms of Reference for adoption had also been attached to the report.

The recommendations were then proposed by Councillor Stanley and seconded by Councillor Northeast.

Before inviting members to comment during debate the Chair stated that this review was an important as it was part of the council's Financial Strategy and was important to highlight assets that would create an income for the council or to sell. He confirmed the previous review was completed in 2010 and was therefore now very outdated and he would be in favour of creating the Working Party to allow for this work to be completed.

The Chair then invited Councillor Gunner to address the committee where he confirmed that he was not in favour of creating another Working Party, he believed that the committee had the remit to complete the work required and as the council had already agreed to set up at least 3 other working parties for other reviews he felt it was creating unnecessary work. Councillor Stanley agreed that the work required to be undertaken for the review was important but reminded members that the committee has a full work programme agenda, so he felt it made sense to move the work outside of the committee, he was also in favour of allowing the working parties membership to be comprised of members from outside of the economy committee. He also highlighted that Working Parties meet in private and that allows for any private conversations to take place. In response Councillor Gunner stated that he didn't disagree with private conversations needing to be had, however the committee could also have these conversations privately. Councillor Northeast added that he was happy to support the

Economy Committee - 22.10.24

recommendations and was also supportive of the working party being formed with membership from the wider council membership.

The Committee

RESOLVED

2.2. that it approved the establishment of a task and finish Working Party entitled "Asset Review Working Party", to review the Council's General Fund Asset Portfolio, with a view to identifying opportunities for generating improved revenues, savings and/or capital receipts, with agreed terms of reference as appended to this report. The working party will then report to and make recommendations back to this Committee.

219. CORPORATE CLEANING CONTRACT

The Property, Estates and Facilities Manager presented the report to members where he outlined that the report sought approval to enter into a new corporate cleaning contract under the ESPO Framework 263_20 with officers recommending award of contract to contractor B. He confirmed that the contract had been written on the basis of a performance specification in line with industry best practice and included the supply of necessary cleaning materials and consumables.

The recommendation was then proposed by Councillor Northeast and seconded by Councillor Stanley.

As there were no questions from members, the Chair proceeded straight to the vote.

The Committee

RESOLVED

2.2. to delegate authority to the Group Head of Technical Services to enter into a new Corporate Cleaning Contract under the ESPO Framework 263_20 with contractor B as set out in the body of this report.

220. OUTSIDE BODIES UPDATE

The Chair confirmed that there had been no written updates received.

221. WORK PROGRAMME

It was confirmed by the Committee Manager that members had an updated Work Programme circulated to them at the start of the meeting.

Councillor Gunner asked for an update on previously agreed resolutions made by the Littlehampton Regeneration Sub-Committee, specifically relating to north of Littlehampton Art Project and the Officer proposals on St Martins Car Park and was there an update provided to members on these items. The Director of Growth advised that updates relating to the Art Project would be fed into the North Littlehampton Steering Group, but if Councillor Gunner could share the minute numbers with him, he would provide a written update on those for members.

222. EXEMPT INFORMATION

The recommendation was proposed by Councillor Cooper and seconded by Councillor Lawrence.

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 they 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.

223. LITTLE STARS NURSERY, ASCOT WAY - LEASE RENEWAL PROPOSAL

(Councillor Alison Cooper redeclared a Personal Interest in this agenda item [Little Stars Nursery Ascot Way Lease Renewal Proposal] as a Rustington Parish and West Sussex County Councillor.

Councillor Andy Cooper redeclared a Personal Interest in this agenda item [Little Stars Nursery Ascot Way Lease Renewal Proposal] as Vice-Chair of Rustington Parish Council.

Councillor Gunner redeclared a Personal Interest in this agenda item [Little Stars Nursery Ascot Way Lease Renewal Proposal] as he had family members living in the surrounding roads.)

The Group Head of Technical Services presented the report.

Economy Committee - 22.10.24

The recommendations were proposed by Councillor Stanley and seconded by Councillor Northeast.

Members took part in a full debate on the proposed recommendations where all concerns raised were discussed in detail. Some of the concerns raised were, Rustington Parish having insufficient amounts of public open space, parking concerns and traffic build up during peak times, was the valuation of the land commercially fair and had other sites been considered. All points raised and questions asked were answered by officers.

The Committee

RESOLVED

2.1. Not to permit the council to enter a lease with Kirstie Louise Smith (t/a Little Stars Nursery) for a period for 15 years commencing 4 November 2024 to include the existing demise and an additional 17m x 14.5 m within the public open space known as 'Ascot Way'.

(The meeting concluded at 8.51 pm)