



Public Document Pack

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3 February 2025

POLICY AND FINANCE COMMITTEE

A meeting of the Policy and Finance Committee will be held in **Council Chamber & Blue Room, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF on Thursday 13 February 2025 at 6.00 pm** and you are requested to attend.

Members: Councillors Lury (Chair), Nash (Vice-Chair), Birch, Cooper, Greenway, Gunner, Pendleton and Stanley. (One vacant seat)

PLEASE NOTE:

A live webcast of the meeting will be available via the Council's Committee webpages – please use this link: [Arun District Council](#) and you will find the link in the media box.

Any members of the public wishing to address the Committee during Public Question Time will need to email Committees@arun.gov.uk by 5.15 pm on **Wednesday, 5 February 2025** in line with Committee Meeting Procedure Rules.

AGENDA

1. APOLOGIES

2. DECLARATIONS OF INTEREST

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

Members and Officers should make their declaration by stating:

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

3. MINUTES (Pages 1 - 12)

The Committee will be asked to approve as a correct record the Minutes of the Policy and Finance Committee held on 11 December 2024, as attached.

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

5. PUBLIC QUESTION TIME

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

6. LITTLEHAMPTON SEAFRONT PROJECT - UPDATE - (15 MINUTES) (Pages 13 - 20)

This report provides an update on the Littlehampton seafront project.

7. REVIEW OF ARUN DISTRICT COUNCIL'S MEMBERSHIP OF THE GREATER BRIGHTON ECONOMIC BOARD - (15 MINUTES) (Pages 21 - 26)

This report seeks to review the council's membership of the Greater Brighton Economic Board (GBEB) following a request from members at the Policy & Finance Committee on the 24 October 2024.

8. KEY PERFORMANCE INDICATORS 2022-2026 - QUARTER 2 PERFORMANCE REPORT FOR THE PERIOD 1 APRIL TO 30 SEPTEMBER 2024 - (15 MINUTES) (Pages 27 - 40)

This report is to update the Committee on the Q2 Performance Outturn for the Key Performance Indicators (KPIs) which make up the Corporate Plan, for the period 1 April 2024 to 30 September 2024.

9. COMMITTEE REVENUE AND CAPITAL BUDGETS 2025/26 (Pages 41 - 46)
-(15 MINUTES)

This report is for the committee to consider and recommend its revenue and capital budgets for inclusion in the council's 2025/26 budget. The agreed budgets will then form part of the overall revenue and capital budgets for 2025/26 to be considered at Agenda Item 10 for this meeting, so that recommendations can be made to a Special Meeting of the Council on 26 February 2025 regarding the budgets to be set and level of Council Tax for the District for 2025/26.

10. COUNCIL REVENUE AND CAPITAL BUDGETS 2025/26 - (Pages 47 - 58)
(50 MINUTES)

The purpose of the report is for this committee to consider and make recommendations to Full Council on 26 February 2025 on setting the General Fund revenue budget, the level of Council Tax for the District, the Housing Revenue Account (HRA) budget and HRA rent and service charge levels for 2025/26.

In addition, the Policy and Finance Committee is requested to consider the capital programme and make recommendations to Full Council on 26 February 2025 on the capital programme (HRA and General Fund) to be set for 2025/26.

ITEMS PUT FORWARD FROM SERVICE COMMITTEES

There will be recommendations from each of the Service Committees that relate to the Council Revenue and Capital Budgets 2025/2026. These recommendations will be considered as part of agenda item (10) on this agenda with the appropriate extracts from meetings of the Service Committees held in January and February 2025 being uploaded as a separate supplement pack.

11. SPECIAL HOUSING & WELLBEING COMMITTEE - 17 (Pages 59 - 80)
DECEMBER 2024 - (10 MINUTES)

The Committee will receive the minutes from the Special Meeting of the Housing & Wellbeing Committee held on 17 December 2024.

There is a recommendation for the Committee to consider at Minute 344 regarding the Warm Homes Bid. The officer's report is attached – this is an Exempt report.

12. CORPORATE SUPPORT COMMITTEE - 6 FEBRUARY 2025 (Pages 81 - 98)
- (10 MINUTES)

The committee will receive the minutes from the meeting of the Corporate Support Committee held on 6 February 2025, which will be circulated separately to this agenda.

Subject to approval at that meeting, there will be a recommendation for this committee to consider regarding the (Payroll/HR system). The Officer's report is attached together with an Exempt appendix.

OUTSIDE BODIES - FEEDBACK FROM MEETINGS

The Committee will receive the feedback item below.

13. GREATER BRIGHTON ECONOMIC BOARD - 28 JANUARY 2025 - (10 MINUTES)

The Chair will provide a verbal update following his attendance at a meeting of the Greater Brighton Economic Board held on 28 January 2025.

14. WORK PROGRAMME - (5 MINUTES) (Pages 99 - 102)

The committee's work programme for the remainder of the municipal year is attached for the committee to note.

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 [Filming Policy](#)

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Subject to approval at the next Policy and Finance Committee meeting

409

POLICY AND FINANCE COMMITTEE

11 December 2024 at 6.00 pm

Present: Councillors Lury (Chair), Nash (Vice-Chair), Birch, Cooper, Greenway, Gunner, Huntley (Substituting for Councillor Brooks), Pendleton and Stanley.

[Note: Councillor Stanley was absent from the meeting during consideration of the matters referred to in the following minute – Minute 324 to Minute 331 (Part)].

Councillors Goodheart and Tandy were also in attendance at the meeting.

324. APOLOGY FOR ABSENCE

An Apology for Absence had been received from Councillor Brooks.

325. DECLARATIONS OF INTEREST

There were no Declarations of Interest made.

326. MINUTES

The minutes from the last Meeting of the committee held on 24 October 2024 were approved as a correct record and were signed by the Chair at the conclusion of the meeting.

327. 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 the Committee to consider.

328. PUBLIC QUESTION TIME

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

329. CARBON EMISSION UPDATE - 2023-2024 FINANCIAL YEAR

The Climate Change and Sustainability Officer presented his report updating Members on the emissions (Scope 1, 2 and 3) of the Council for the 2023-2024 financial year. He provided some background to the report reminding Members that in October 2021 the Council adopted its Carbon Neutral Strategy 2022-2030 and the Climate Action and Biodiversity Work Plan 2022-2023 in February 2022. Written within the Action Plan had been a commitment to continue to monitor the emissions generated by the Council on a yearly basis to ensure that the Council could effectively monitor

Policy and Finance Committee - 11.12.24

how its activities were impacting those emissions and to ensure that reductions were taking place in line with the 2030 carbon neutral target. This included Scopes 1, 2 and 3 as detailed below:

- Scope 1 – emissions directly attributed to burning of fuels for heating council buildings and running its fleet
- Scope 2 – indirect emissions from the purchase of electricity and directly controlled by the Council
- Scope 3 – from the activities of the Council but from sources not owned or directly controlled by the Council, such as purchased goods and services [procurement], staff commuting, business travel and waste generated by the Council.

It was explained that this update report provided the Committee with an overview in terms of where the Council's emissions were sitting for the 2023-2024 financial year as well as providing a comparison to the current baseline year set for the 2020-2021 financial year.

Members' attention was drawn to the Appendix figures providing detail for all previous years of monitoring, including the 2023-24 financial year. A brief overview of the results for each of the scopes was provided and it was explained that all emissions were displayed as tonnes of carbon dioxide equivalent or tco2e which was the standard unit for measuring emissions regardless of whether they were from carbon dioxide or another greenhouse gas such as methane allowing all greenhouse gases to be compared using the same unit.

In terms of the results and comparisons to the current baseline year, Scope 1 and 2 had seen a drop from 392 tonnes of co2 equivalent in the baseline year to 137 in the 2023/24 financial year meaning that Scope 1 and 2 were now sitting at roughly 0.83% of the Council's total emissions in 2023-2024. Scope 3 continued to make up most of the Council's emissions and sat at roughly 99%, with the largest single emitters remaining the same as previous years being the purchase of goods and services at 91% and the leisure centres at 6%. Scope 3 had seen a reduction in emissions dropping from 27,382 tonnes of co2 equivalent to 16,255. Looking at all three scopes together an overall reduction from 27,774 to 16,118 tonnes could be seen which was positive news. The Council had, and would continue to, undertake work around reducing emissions further and would look at improving data collection for the annual carbon audit. It was highlighted that it was extremely challenging to measure emissions, and this should very much be used to help with the direction of travel and to highlight hotspots rather than being used as an exact science.

The Committee was advised that the Climate Change and Biodiversity Action Plan would be revised in accordance with the updated results along with updates to specific actions. The updated Action Plan would be brought to the Committee's meeting to be held on 13 March 2025. At that meeting, Councillors would receive information on projects that had been undertaken to assist the Council with its emission reduction and general sustainability.

The Chair then invited questions from Members. In terms of the figures that had been provided and looking at the 41.4% decrease it was questioned if offsetting would be needed to ensure that the Council's target would be reached, and as the report had mentioned that dialogue was already underway with West Sussex County Council (WSSC) and other West Sussex District and Boroughs to determine the best offsetting option. The Climate Change and Sustainability Officer was asked to provide further detail on this. It was explained that conversations had taken place with the South Downs National Park and the Polladium Group and that the Council was working with them to determine what the total price would be for offsetting emissions. The viewpoint of WSSC, Arun and other District and Boroughs was that it was likely that Councils would need to have to bulk buy offset credits due to the minimum purchase requirements. The Climate Change Officer highlighted further that there would also be a possibility to offset some emissions using tree plants on land currently owned by the Council, if it would be certified by the Woodland Trust. Having received this response, it was queried whether sufficient research had been undertaken regarding the value of offsetting. It was explained that the Council's approach would be to reduce as many emissions as possible so that the offsetting requirement would then be as low as it could be. With most of the emissions coming from the Council's purchasing of goods and services, it would be very challenging to reduce these to zero by 2030 as this work would be reliant upon the Council's suppliers reducing their emissions. The Climate Change and Sustainability Officer confirmed that he was aware of the challenges surrounding offsetting and that if this was relied upon too heavily, it could result in little being progressed. He was asked how the Council was able to influence suppliers to reduce emissions and if any positive results could be seen from such work. He confirmed that the strongest way in which the council could move forward was by incorporating methods to reduce emissions into new contracts as a requirement, this included reporting Arun's specific emissions as well as incorporating sustainability. This had been the case in procuring the Council's Combined Cleansing Services Contract which included strong sustainability aspects within it. He was also liaising with suppliers in terms of what they could and could not report and what sustainability actions they could confirm they were undertaking.

A query was raised in relation to the 41.4% reduction figure mentioned earlier in that it was not an accurate like for like comparison and that the correct figures was 9.7%, could this be confirmed? It was explained that this was correct when looking at the current baseline for the 20/21 financial year where different methodology had been used. It was more accurate to compare the 2022/23 to the 2023/24 financial years which was why looking the baseline year would be updated to the 2023/24 financial year.

330. CONSOLIDATED COUNCIL AND POLICY & FINANCE COMMITTEE BUDGET MONITORING REPORT TO 30 SEPTEMBER 2024

The Group Head of Finance and Section 151 Officer introduced his Budget Monitoring Report covering Quarter 2 for the financial year 2024/25 and the period up to 30 September 2024, appraising the Committee of the Council's consolidated General Fund Revenue, Capital and Housing Revenue Account forecast against the 2024/25 budgets approved by Council on 21 February 2024. The Committee was being asked to consider the report and provide Officers with any comments.

The first part of the report presented the Quarter 2 forecast for the financial year 2024/25 and included a consolidated Revenue Budget summary; Housing Revenue Account (HRA) summary; and Consolidated Capital Programme summary. The Committee's financial report as of 30 September 2024 for the Quarter 2 period had been attached to the report at Appendix 1.

The following highlights were reported:

- The anticipated contribution from reserves was forecast lower than budget by £165k in the current financial year, however, Councillors were reminded that it would still be necessary to draw down £3.4m from reserves.
- The net forecast below did show some slight improvement and included some budget pressures around homelessness and savings that had been built into the forecast.
- The forecast end of year HRA reserve balance showed an increase to £981k from an operating position of £482k. Appendix A to the report provided a detailed summary. It was stated that the HRA was starting to experience more stability with regards to the inhouse repairs and maintenance service and that volatility around that forecast was starting to steady.
- The General Fund Capital programme showed a reprofiled capital programme and no changes in the budget totals. The additional funding of £3m approved by Full Council on 6 November 2024 for the Alexandra Theatre had not been included due to timings as this quarter 2 report included everything up to the end of September 2024. This would be added to the Quarter 3 report.
- Pages 8 to 9 provided more detail about the reprofiled capital budgets against the forecast figures. This did not include the original budgets, but did include a commentary on capital slippage
- On the HRA capital programme - £6.7m had been moved from the stock development budget. Members would be advised later as to how that money would be spent.
- The Sheltered Housing and Decarbonisation schemes had all been moved into future years to align with new commencement dates.

- On the consolidated revenue budget summary - £165k less drawdown from usable reserves was a positive sign and had been due to having additional unexpected income from business rates. A further £100k had been received from non ring-fenced grants for new burdens funding received in year. On the cost of service, the forecast outturn suggested a £163k overspend against budget including pressures around temporary accommodation and approved savings, which were forecast to be £564k less than anticipated.
- The savings progress by Committee had been provided at Page 6 of the appendix. It was reported that there were some areas of concern, but it was anticipated that most of these would be delivered in the 25/26 budget
- The HRA reserve forecast showed an increase to £989k from £482k. The expectation was to achieve a surplus of around £1m which should be realistic as the main risk areas were settling down.
- General Fund capital programme – the 24/25 programme forecast expenditure was £14.2m against a reprofiled budget of £13.8m. Details had been included in Appendix A.

The Chair before inviting questions from Members, stated that the Council was eagerly awaiting the Local Government Finance Settlement which was due on 19 December 2024. He had attended a recent webinar with the Ministry of Housing Communities and Local Government [MHCLG] but could not confirm the likely settlement figure that the Council would receive. The Settlement would be discussed as part of the next item on the agenda.

The Chair then invited questions from Members. The first question related to the presentation of the forecast figures being listed as budget for 2024/25. Looking at sheltered accommodation for 2024/25, no figure had been provided. Concern was expressed that Councillors had approved that £2m would be spent during 2024/25 on these schemes and this had not taken place. Concern was also expressed over the fact that some projects required feasibility studies to be undertaken to allow those projects to be profiled. This meant that the figures should have never been in the budget in the first place as the feasibility work had not been undertaken to do them.

Reference was again made and concerns raised over project slippage. This was a concern that had been repeatedly raised covering the last few cycles of meetings and the Interim Chief Executive Officer had confirmed that this was untrue. There had been multiple projects that had run over time and budget and so confirmation was sought that the concerns that had been raised were legitimate. The Chair agreed that some projects had not progressed at the speed they should have and that there were sound reasons to explain that and, in some instances, this had been due to circumstances that were beyond the Council's control. The Section 151 Officer stated that he accepted the points that had been made in terms of how the budget figures had been illustrated within the report but referred Members to Page 7 of the Appendix which was a new page designed to capture this information and to make the report easier for Members to

Policy and Finance Committee - 11.12.24

understand. He confirmed that if Members decided that they wished to have more information added regarding original budgets, he would be happy to incorporate the request in producing the Quarter 3 budget monitoring report.

The Chief Executive in contributing to the debate on project slippage and budget overspending stated that she agreed with the comments made by the Chair recognising that projects did sometimes slip and often that this was beyond the Council's control or was because the Council had insufficient resources available to take a project forward. The Councillor who had raised this as a concern stated that it was important to discuss so that Councillors had full understanding in setting the budget. He also added that it had been disappointing to be told the concern raised had not been accurate, but it was pleasing to have on record that the correction had been made.

Approval was given by the Committee for a non-Committee Member to address the meeting. Concern was expressed regarding the savings progress made by committee and in relation to the Environment and Housing & Wellbeing Committees. The first concern was over car parking income as this showed an underperformance of £196k in terms of income targets. The second related to the fact that £205k temporary accommodation savings were unachievable. They stated that these were startling under achievements and warranted further investigation and scrutiny.

In response, the Group Head of Finance and Section 151 Officer confirmed that he would happily provide a detailed response outside of the meeting. He also reminded Members that when the savings were presented, he was clear that there was a level of risk around the delivery of some savings.

331. MEDIUM TERM FINANCIAL FORECAST 2025-26 TO 2029-30

The Group Head of Finance and Section 151 Officer presented to Members his report providing an update on the Council's Financial Forecast for 2025/26 to 2029/30 and economic prospects arising from the main issues affecting the Council and their impact. As identified as part of the discussion on the last item, there was much uncertainty around the budget figures at this time due to the pending Local Government Finance Settlement.

The report was also asking Members to note the financial parameters for the preparation of the 2025/26 revenue budget, and it provided updates on the public budget consultation, Members Budget Working Group and future participation in the West Sussex Business Rates Pool.

The main highlights brought to the attention of Councillors by the Group Head of Finance and Section 151 Officer were:

- The detail surrounding the 2025/26 budget which was still work in progress

- The Council was looking at a £2.5m deficit which was anticipated to peak to around £6.5m by 2028/29 if the Council took no further action in cutting costs. It was emphasised that this was unlikely to happen, but that it was necessary to continue to outline the dangers and that this strong warning needed to be highlighted.
- After 2025/26 it was expected that some external funding would reduce substantially
- The provisional Local Government Finance Settlement announcement was due on 19 December 2024. This included a range of unknowns which had been detailed in Paragraphs 4.3 to 4.10 of the report for Members to review.
- The major items to be aware of were; Employers' National Insurance contributions to increase by 1.2% and the threshold at which NICs would be payable would reduce from £9.1k to £5k which would add a cost of around £350k to the Council's revenue budget.
- Having attended the Webinar referred to earlier by the Chair, the MHCLG had confirmed that it would cover those costs, but no details had been provided whether the funding would be sufficient. Confirmation as part of the Settlement was awaited.
- An additional £1.3 billion had been allocated to local government of which £600 million would be allocated to authorities responsible for adult and social care provision. The other £700m would be allocated to councils on a deprivation-based approach. No further information about what this meant had been provided and so the Section 151 Officer, stated that caution needed to be applied as it could be the case that Arun might not receive any of that funding.
- The Government had confirmed that it would commence the Fair Funding Review which would impact 2025/26 budgets to begin with and then implementing further resource redistribution in future years to address an imbalance in Local Government funding. It was not clear if there would be any transitional funding to soften any reduced impact for the Council.
- The broad principles for setting the budget for 2025/26 had been illustrated in paragraphs 4.10 to 4.28 of the report. It was confirmed that all assumptions in the report would remain under review until the budget was completed.
- An assumption of an annual increase of 2% for staff pay awards had been forecast for future years from 2025/26, this would be kept under review
- The table at paragraph 4.13 set out the forecast net changes in grant allocations against the 2024/25 base budget. Current modelling assumptions showed that the Council's grant share would increase by £462k but this needed to be confirmed following the webinar referred to earlier as this had made an inference that those figures might be frozen.
- There was a firm assumption that New Homes Bonus (NHB) would disappear after 2025/26 and there was no confirmation that there would be anything to replace it.

- The Funding Guarantee Grant also provided a degree of uncertainty as current modelling assumed that it would reduce without anything to replace it
- In terms of council tax, the same referendum principles as in previous years applied to Arun as a district council with a maximum increase of 3% or £5 permitted. The MHCLG had indicated that they would consider bigger increases but only by exception which was unlikely to apply to this Council as it had a good level of reserves.
- The Council would continue with its participation in the West Sussex Business Rates Pool for 2025/26
- Appendix B to the report set out the impact on the Council's Usable Revenue Reserves based on the updated forecasts. As mentioned earlier, if the Council failed to deliver the objectives of its Financial Strategy, it would exhaust these by 2028/29.
- The table at Paragraph 4.25 set out the impact of recent decisions by Members in terms of foregone income opportunities. The Section 151 Officer stated that he understood the difficulty for Councillors in making some of those decisions but had to re-emphasise the point that it was very necessary to make those difficult decisions at some point in the future
- Another headline item not featured within the report, was an announcement that had been received following agenda publication regarding extended producer payments where the Government would charge producers the costs of disposal associated with packaging. The Council would receive a guaranteed payment of £1.4m in 2025/26 which was good news albeit there were caveats attached to this receipt which would be closely monitored when confirmed.
- In finalising his presentation, the Section 151 Officer explained again the highlighted risks being the impacts from the fair funding review remaining as the most serious concern. The view was that the council's share of business rate income would reduce even though there was no detail to confirm that at this point. Continuing cost increases around temporary accommodation and what, if anything, would replace NHB minimum funding guarantee grants remained as significant concerns.

The Chair thanked the Group Head of Finance and Section 151 Officer for his detailed presentation. He stated that what was of real concern with the Fair Funding Review where funds would be allocated on a deprivation-based account. It was the Chair's view that the South-East was not just an area of prosperity, and he hoped that the Government would take note and listen to this as it needed to be recognised that there were pockets of severe deprivation in the Arun district.

The Chair then invited questions and comments from the Committee. One observation expressed with the report and the Fair Funding Review was that levels of deprivation in some areas of Littlehampton and Bognor Regis were very high and compared with deprived areas in the north of England and this could be positive for the Council. There was a great deal of uncertainty attached to planning the Council's budget for 2025/26 and so the settlement next week was eagerly awaited. Paragraph

4.24 of the report accurately summarised the Council's position and it was acknowledged that the budget for 2025/26 would be a "standstill" budget for valid reasons and emphasised that budget decisions going forward would be unpleasant to make and would mean that unpopular cuts and savings would need to be addressed soon.

A level of criticism was made towards this "standstill" budget. Great mention had been made of the need to think about and make difficult decisions but there were no proposals to do this within the forthcoming budget. In response, the Group Head of Finance and Section 151 Officer noted the comment made. In the report he had explained the assumptions around Council Tax and increases and that his advice as Section 151 Officer was that there was a large structural budget deficit and that he could not say with any certainty that this would reduce. Councillors could vote to include uncommitted growth into the budget; however, it was his strong advice to not do this for all the reasons already outlined.

Debate continued with queries relating to Council Tax premium and the formation of a Budget Working Group. It was also queried how this budget monitoring report might be affected by the Settlement announcement next week and as this report did draw a concerning picture for the future. The Section 151 Officer confirmed that a further Members' Briefing would be held before the next meeting of the Committee in February 2025 to explain the key headlines confirmed by the settlement.

Further discussion took place on plans to establish a Budget Working Group and why there were no firm proposals to consider its establishment in planning ahead for the 2026/27 budget. The Chair reminded the Committee that the Section 151 Officer had been requested to assess the feasibility of setting up such a group, he had not been instructed to establish one. In response, the Section 151 Officer provided an explanation, reminding Councillors that this Committee had requested that he examine and consider proposals to establish a Working Group. The report presented explained why this was not proposed at this time. Looking ahead the Section 151 Officer would continue to explore ways in which engagement with Members within the budget setting process could be enhanced.

Input from other Members of the Committee praised the budget process that had been put into place under the Committee system as this had resulted in Councillors receiving more information as well as being presented with more opportunity to discuss the budget than ever before. Public consultation had been introduced for the 2023/24 budget and repeated this year receiving a significant improvement in feedback and responses compared with the previous year. In preparing the budget, Members were reminded that each Service Committee received its budget in detail providing ample opportunity for Councillors to submit proposals or suggest amendments. In addition to that, Members were also invited to attend budget briefings allowing them to shape budgets. Sadly, this was often an opportunity that Councillors just did not take ahead of the budget Policy & Finance Committee in February and then ultimately Full Council. There were Councillors who thanked the Section 151 for his caution and wished to confirm that good progress had been made in terms of the financial position of the council. The Financial Strategy had been approved in January 2024 and measures from

Policy and Finance Committee - 11.12.24

that would be implemented over the coming months. This highlighted that progress in ensuring that the council was on a financially sustainable footing had been made.

A final question was asked which was what the process would be in establishing a Working Group following this year's budget for the 2025/26 budget. The Group Head of Finance and Section 151 Officer confirmed that he would inform the Committee of further proposals in due course.

332. ITEMS PUT FORWARD FROM SERVICE COMMITTEES

The Chair confirmed that there was a recommendation for the Committee to consider from the Housing & Wellbeing Committee as detailed below.

333. HOUSING & WELLBEING COMMITTEE - 21 NOVEMBER 2024

The Committee received the minutes from the meeting of the Housing & Wellbeing Committee held on 21 November 2024. The Chair drew Members' attention to a recommendation at Minute 292 [Local Authority Housing Fund] and he alerted Members to the Officer Report that had been provided accompanying the minutes.

The Chair confirmed that this Committee was being asked to recommend to Full Council to include this scheme within the Council's capital programme at a total cost of £3,870,600 with £1,771,000 capital funding from central government grant, £630,000 from Section 106 receipts and £1,469,600 to be funded by the Council through additional borrowing.

Prior to commencing debate on this item, Councillor Birch proposed the recommendation which was seconded by Councillor Nash.

The Committee in debating the recommendation questioned the legality of what had been resolved by the Housing & Wellbeing Committee at resolution c). This read "Approve use of £630k affordable housing S106 receipts, subject to the Group Head of Housing, Communities and Wellbeing confirming that the use of S106 receipts for temporary accommodation was lawful". There were some Councillors that wished to receive this confirmation, and the Director of Environment & Communities was asked if she could update the Committee. She stated that she could not provide this confirmation but that she would be happy to provide this outside of the meeting.

Further debate took place in terms of whether this was necessary; or whether this Committee should amend the recommendation to Council, pending receipt of this information. Disappointment was expressed by some Members of the Committee as this matter had been queried and the information requested some time ago and as it was felt to be crucial in determining whether recommendation g) should be forwarded to Council. Could this be done if taking the £630k from Section 106 was not legally allowable as previously identified by Councillors and prior to this meeting. Further advice was sought in terms of how to progress the recommendation.

Following further debate, the Director of Environment and Communities then confirmed that she had since received confirmation from the Group Head of Housing, Communities and Wellbeing, that the use of S106 receipts was lawful and he had communicated this, and that several councils were using commuted sums to prop up their LAHF delivery, which was what this scheme was.

Councillor Birch, as proposer of the recommendation, outlined that this would be an excellent use of money that would reduce the Council's temporary housing accommodation costs for the future.

The Committee

RECOMMEND TO FULL COUNCIL

To include this scheme within the Council's capital programme at a total cost of £3,870,600 with £1,771,000 capital funding from central government grant, £630,000 from Section 106 receipts and £1,469,600 to be funded by the Council through additional borrowing.

334. OUTSIDE BODIES - FEEDBACK FROM MEETINGS

The Chair provided a verbal update to the Committee reporting on the success of a visit made by the Department of Trade and Industry, organised through the Greater Brighton Economic Board, to a business in Littlehampton called GB Electronics.

335. WORK PROGRAMME

In receiving and noting the Committee's Work Programme for the remainder of the Municipal Year 2024/25, a request was made by Councillor Gunner to have added to it a report that would allow the Committee to debate the advantages and disadvantages for the Council in being a member of the Greater Brighton Economic Board and following this request being made at the last meeting of the Committee.

The Chair confirmed that the Committee's work programme had been updated following its last meeting to show that a report would be submitted to the next meeting of the Committee on 13 February 2025.

Following on from this, it was noted that there was real possibility that the Greater Brighton Economic Board could be disbanded in the future because of devolution and pending receipt of the Government's White Paper. As discussions were regularly taking place on the matter of Devolution, and in anticipation of the formation of Unitary Authorities for the region, a request was made for a Member Workshop to be organised early in 2025 to discuss the content of the White Paper and to allow all Councillors the opportunity to confirm their views.

Policy and Finance Committee - 11.12.24

In response, the Chair confirmed that he would look to get this organised and he stated that having received advice from the Committee Manager in terms of available dates in the Committee Calendar, due to other meetings and briefings, that this might be difficult to arrange for early in the New Year and possibly not until early March 2024.

(During the course of the discussion on this item, Councillor Pendleton, declared a Personal Interest as a Member of West Sussex County Council).

In concluding the meeting, the Chair extended Season's Greetings to all those in attendance.

(The meeting concluded at 7.29 pm)

Arun District Council

REPORT TO:	Policy and Finance Committee – 13 February 2025
SUBJECT:	Littlehampton Seafront Project
LEAD OFFICER:	Philippa Dart – Director of Environment and Communities Joe Russell-Wells – Group Head of Environment and Climate Change
LEAD MEMBER:	Councillor Martin Lury
WARDS:	Beach, River
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
<p>The Littlehampton Seafront project will implement parts of the Council's Vision by improving infrastructure that supports wellbeing and enabling improvements and activities to increase visitor spend. The project will also meet the town centre aspirations of the Council's Economic Development Strategy 2020-2025.</p>	
DIRECTORATE POLICY CONTEXT:	
<p>The Littlehampton Levelling Up Fund project sits within the Directorate plan. Its design will take account of existing maintenance contracts and management strategies.</p>	
FINANCIAL SUMMARY:	
<p>The budget for the project is £7,346,501, of which £7,234,201 is funded by a Levelling Up Fund grant from DLUHC. The remaining funding comprises:</p> <p>£31,300 funded by Arun District Council, sitting within the Changing Places budget on Asset Management for the inclusion of a Changing Places Toilet (CPT) facility at Littlehampton seafront.</p> <p>£25k has been made available for PV panels from Council's Climate Change budget.</p> <p>£56k has been received from the Levelling Up Fund as a capacity and capability grant payment and is being specifically used to fund design guardians.</p>	

1. PURPOSE OF REPORT

1.1 This report provides an update on the Littlehampton seafront project.

2. RECOMMENDATIONS

2.1 Members are asked to agree that future committee reports will be brought forward only when a formal decision is required. This is proposed due to the regular project updates issued via the Members newsletter and circulated publicly.

3. EXECUTIVE SUMMARY

- 3.1 This report provides an update on the Littlehampton seafront scheme, including the progress of the construction phase, and seeks agreement for future committee reports to be brought forward only when a formal decision is required.

4. DETAIL

4.1. Background

Arun District Council has been awarded a £7,234,201 grant from the Levelling Up Fund (LUF) to enhance the seafront public realm in Littlehampton. The scheme will transform the seafront open space, attract more visitors, and boost economic regeneration in the town. The improvements will provide better opportunities to access culture, encourage outdoor activities that strengthen social connections and improve mental and physical health and well-being.

A planning application submitted in October 2023 was approved with conditions in December 2023. A process of value engineering was required during 2024 to ensure the delivery cost was within budget. Construction work commenced on site in September 2024.

4.2 Planning update

The final details of the surface water drainage scheme were signed off in December 2024. Work to satisfy the conditions for biodiversity enhancement, a landscape and ecological management plan, electrical vehicle charging points, landscape planting and cycle parking is being progressed so these can be signed off during the construction phase.

The drawing pack has been updated in response to the value engineering exercise. Clarification is being sought from planning officers to confirm which type of application should be submitted following design changes.

4.3 Construction phase progress

Since the initial clearance and demolition work commenced in September 2024, Neilcott Construction has made good progress on site. The following summary outlines the work completed to date:

i. West Green car park

Improvement work to the tarmac area commenced in January 2025 and will include a revised layout and lighting columns. Once complete, the contractor will focus on installing the new surface for the overflow area. Some parking is being made available for residents and businesses during this period. Connected Kerb is contracted by ADC to install electric vehicle charging points within the car park. This work is being carried out in parallel with the seafront project and all parties are working together to minimise disruption.

ii. New toilet block

Drainage is in place, the foundation slab for the new building has been laid and work is underway on wall construction. A gas pipe feeding the Windmill has been identified which was not on the network supplier records. This conflicts with the new building and will need to be diverted. A legal agreement needs to be in place before a date is arranged for the diversion. The contractor is phasing the building work to reduce impact on the programme.

iii. Foreshore building

The drainage and foundation slab are in place. Wall construction will begin following the installation of metal posts to increase wind resistance.

iv. Activity area

The water play storage tank is in position and pool shapes have been excavated. Pipework has been laid to the different areas of the water play feature and lead back to the plant room foundation ready for connection. The area for the volleyball court has been formed and pathways are being set out.

v. Market place

The bases for the four concession kiosks have been laid. The Property and Estates team has started to seek expressions of interest for the operation of the kiosks.

vi. Site wide infrastructure

New drainage systems, ducting for electrical cables and pipes for new water supplies are in the process of being laid.

4.4 Communication

Regular news releases are published on the project webpage and social media channels and also issued to stakeholders and will continue during the construction phase. Members will continue to receive updates via the newsletter. An information point has been installed on the seafront to tell people about the scheme with a link to the project website.

4.5 Programme

The following table summarises the expected project programme:

RIBA 1/2: Survey work, concept design, public consultation	Complete
RIBA 3: Framework tender to procure design and build contractor, detailed design, planning application	Complete
RIBA 4: Technical design, construction tender process	Complete
RIBA 5: Construction phase	Autumn 2024 – Summer 2025

These dates are subject to change and assume there are no unforeseen events during the construction phase. This is normal for any construction project as the impact of different risks will change from week to week, depending on whether and how they can be mitigated.

5. CONSULTATION

- 5.1 The original plans for the Littlehampton seafront were consulted on in 2017. The refreshed proposals for the scheme were shared with stakeholders and published for public consultation in October 2022. The consultation results were presented to Policy and Finance Committee on 13 December 2022.
- 5.2 Following the conclusion of the consultation the designs were developed further during RIBA Stage 3 and a planning application submitted, enabling further opportunity for public comment.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1 To require reports to be brought to each future Policy and Finance Committee meeting.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1 The project is monitored regularly with no current financial implications outside of allocated budgets.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1. A project risk register will be maintained for the duration of the project. The highest risks to the project are currently identified as unforeseen costs during construction, delivery programme, buried services and statutory authority connections.

The contract makes provision for managing risk during the construction phase and regular meetings are held to review current risks and discuss mitigation options.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

9.1 This report is for noting and therefore within the report there are no governance or legal implications.

9.2 Throughout the project delivery internal and external legal advice will be sought on the procedures and powers the Council can use to implement the scheme.

10. HUMAN RESOURCES IMPACT

10.1 None.

11. HEALTH & SAFETY IMPACT

11.1 Further consultation is being carried out with the corporate health and safety team to ensure any health and safety concerns identified through the consultation are addressed in the final design. The design team have produced a designer's risk assessment, and the project will be delivered in accordance with The Construction, (Design and Management) Regulation 2015.

Appropriate health and safety risk assessments and management regimes will need to be established for any new activities, including play areas and water features. Consultation and communication with other interfacing council services will also be maintained to ensure that any additional risks that result from the works are suitably managed.

Contact numbers for the site manager have been published to enable the public to report any safety concerns and contact details have been circulated to key internal stakeholders.

12. PROPERTY & ESTATES IMPACT

12.1 The project will result in improvements to council assets as well as the potential for additional assets. These will impact on future revenue and planned maintenance budgets.

Covenants and lease arrangements are being taken into account and discussions underway with relevant parties to mitigate for potential constraints.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

13.1 The EIA for the project identifies positive impacts to the following protected characteristics/groups:

- Age – new facilities and creation of social spaces will form part of the project.
- Disability - Changing Places facility is included as a result of successful grant funding. The design allows for accessibility within the scheme layout.

- Pregnancy and maternity – the design of the scheme will enable good accessibility for prams/pushchairs.
- While not a protected characteristic the project will also benefit socio economic disadvantaged groups through the provision of new, free facilities.

The appointed design and build contractor set out their social value proposals as part of their tender submission which include engagement with local schools, developing employment skills, creating opportunities for local businesses, and supporting community projects.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 14.1 The carbon footprint impact of the project has been considered as part of the design phase. Betterment will be looked for in terms of drainage and flooding mitigation. The project aims to achieve a minimum of 10% Biodiversity Net Gain through new planting on the site.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1 Stakeholder engagement during RIBA Stage 3 with the community safety team assessed potential issues and opportunities for mitigation.

16. HUMAN RIGHTS IMPACT

- 16.1 It is not anticipated there will be any impact.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

- 17.1 Sensitive data will be handled in accordance with the GDPR.

CONTACT OFFICER:

Name: Rachel Alderson
 Job Title: Principal Landscape and Project Officer
 Contact Number: 01903 737946

BACKGROUND DOCUMENTS:

[Levelling Up Fund Bid Submission - Economic Committee 8 June 2021, Item 63](#)

[Levelling Up Fund Projects – Policy & Finance Committee 9 December 2021, Item 504](#)

[Levelling Up Fund Projects – Full Council 26 January 2022, Item 623](#)

[Levelling Up Fund Projects – Bid Submission](#)

[Littlehampton Seafront Project – Policy & Finance Committee 30 June 2022, Item 111](#)

[Littlehampton Seafront Project – Policy & Finance Committee 6 September 2022, Item 238](#)

[Littlehampton Seafront Project – Policy & Finance Committee 20 October 2022, Item 373](#)

[Littlehampton Seafront Project – Policy & Finance Committee 13 December 2023, Item 529](#)

[Littlehampton Seafront Project – results of public consultation](#)

[Littlehampton Seafront Project – Policy & Finance Committee 7 March 2023, Item 755](#)

[Littlehampton Seafront Project – Policy & Finance Committee 11 July 2023, Item 126](#)

[Littlehampton Seafront Project – Policy & Finance Committee 26 October 2023, Item 321](#)

[Littlehampton Seafront Project - Policy & Finance Committee 6 December 2023, Item 453](#)

[Littlehampton Seafront Project - Policy & Finance Committee 8 February 2024, Item 615](#)

[Littlehampton Seafront Project – Policy & Finance Committee 7 March 2024, Item 684](#)

[Littlehampton Seafront Project – Policy & Finance Committee 9 July 2024, Item 97](#)

[Littlehampton Seafront Project - Policy & Finance Committee 24 October 2024, Item 238](#)

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Arun District Council

REPORT TO:	Policy & Finance Committee – 13 February 2025
SUBJECT:	Review of Arun District Council’s membership of the Greater Brighton Economic Board (GBEB)
LEAD OFFICER:	Karl Roberts, Director of Growth
LEAD MEMBER:	Councillor Lury – Leader & Chairman of Policy & Finance
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
Membership of GBEB assists the council in working towards the area fulfilling its economic potential.	
DIRECTORATE POLICY CONTEXT:	
Membership of GBEB assists with the overall objective of creating a District that has a vibrant and growing economy.	
FINANCIAL SUMMARY:	
There are no direct financial implications arising directly from the recommendation in this report. However, if the council decides to leave the Board there would be saving from our membership fee.	

1. PURPOSE OF REPORT

- 1.1 This report seeks to review the council’s membership of the Greater Brighton Economic Board (GBEB) following a request from members at the Policy & Finance Committee on the 24 October 2024.

2. RECOMMENDATIONS

- 2.1 The Committee confirms its ongoing support for this council’s membership of the GBEB.

3. EXECUTIVE SUMMARY

- 3.1 This report sets out how the GBEB came about, who is involved, how Arun became involved and our involvement since then and how GBEB will inform future decisions regard devolution and local government reorganization.

4. DETAIL

- 4.1 The Greater Brighton City Region currently covers seven local authority areas, from Bognor Regis in the west to Seaford in the east, and north to Crawley. It is home to one million residents, 40,000 businesses, the UK’s second largest airport, two universities and an economy worth £21 billion a year.

- 4.2 GBEB is the legally constituted body behind the growth of the City Region and was formed in 2014 following the area's success in securing a City Deal Agreement with Government. It has the overarching aim of protecting and growing the economy, by coordinating economic development activities and investment at City Region level. By joining together places and working collaboratively to build on the area's economic assets and unblock its barriers, in order to be able to fulfill its economic potential to become one of the United Kingdom's top performing urban economies. Initially it included five local authorities but in more recent times both Crawley and Arun have joined. There are a number of business partnerships represented as well as the universities of Sussex and Brighton, Chichester College Group, the South Downs National Park Authority and more recently the NHS Integrated Care Board.
- 4.3 In the early years of the Board a number of physical projects were developed based around what was a smaller geography which attracted significant external funding that was available at that time.
- 4.4 The Board made enormous progress in creating a strong brand that is recognised by Government, investors and key stakeholders. It is a united partnership that has a detailed understanding of its functional economic area (and the barriers and challenges to increased productivity) and has the ability to shape priorities and target interventions across the City Region. Through the Board's activities there has been an increased profile for the City Region. This has helped the region to engage with Government.
- 4.5 In October 2018, following extensive discussions between the (then) council Leader and the (then) Chairman of the Board, the council requested to become a member of the GBEB. The council's application set out the reciprocal benefits to both parties should it be accepted as a member. At that time the inclusion of the council on the GBEB was considered to present the following opportunities:
- Arun would have an active involvement and engagement with the Local Enterprise Partnership (now dissolved) in relation to the production of the Local Industrial Strategy and aligning pipeline project to strategic priorities.
 - Arun exhibits strong economic and functional relationships with Greater Brighton and membership would give scope to explore coordinated investment.
 - Arun's membership of the Board would provide funding opportunities to central government funds or to Local Enterprise Partnership to support local pipeline projects.
 - Arun has had a leading role in the Strategic Planning Board, and there is an immediate opportunity in developing the Local Strategic Statement 3 to support better integration and alignment of strategic spatial and investment priorities.
 - Membership could also pave the way for other local partners to become formally involved in the work of the Board, such as the University of Chichester which has strong links and growth plans in Arun and would complement existing higher education partner members.
 - Build a stronger strategic level influence with central government to push for transport infrastructure improvements.

- 4.6 The Board accepted the council's request to join in April 2019 and this was formally reciprocated by Arun in July 2019.
- 4.7 The financial cost to the council if officer time is excluded is a proportional element of the running costs based on population. The current cost is approximately £23,000 which is similar to the original cost on joining.
- 4.8 As the Committee is aware Covid became an issue just over six months after the council joined and therefore the council's ability to play the role it initially intended on the Board has perhaps not been fulfilled to date.
- 4.9 Post Covid the external funding opportunities have become more limited, whilst other issues have evolved such as devolution. As the last published Annual Report (23-24) states:-
- 'Greater Brighton is a coalition of the willing and crosses local authority boundaries, it is well placed to be involved in discussions about the options for deeper collaboration. We can bring relevant people together and highlight insights about how the strengths and achievements of the different councils can complement one another to make the strongest possible case for investment in the region.'
- 4.10 A good example of this is the ongoing work on 'Sussex Energy'. The same Annual report states:
- 'In July 2024 the Board will launch a mission for the City Region and wider Sussex region to achieve net zero energy status by 2040, where the total amount of energy used by our community on an annual basis is equal to the amount of renewable energy created within the community. This will address one of the most pressing aspects of the climate emergency and bring about significant economic and social opportunities and benefits.
- By unifying around the Sussex Energy mission and pointing everyone in the same direction, we can help to join up dots to accelerate work and provide momentum. Conversations with a variety of stakeholders have shown that this mission energises and resonates with people and having a single clear voice and a clear ambition will lay the foundations for stronger regional engagement with central government.'
- 4.11 This is the type of work which as a council we would struggle to resource any meaningful work ourselves, but in being part of GBEB we have the opportunity to contribute to and benefit from such collaborative work. The benefits can often be direct but are also often indirect, for example contributing to our evidence base to the Local Plan. The cost of commissioning such work would likely exceed our annual contributions and so we benefit from the collective purchasing power.
- 4.12 Similar approaches have been taken with creative industries and food production. It is important to recognise that the outputs are not always about local authority delivering the outputs. There is a significant role within the wider partnership for business groups and the education sector to play a key role.

In addition to the above, membership has helped to facilitate access to Government departments which has been beneficial for local businesses. The council recently participated in a GBEB sponsored event with the Department of Business and Trade which involved engagement with a tech firm in Littlehampton.

- 4.13 Looking to the future the English Devolution White Paper published in December 2024 is very clear that the Government is looking to develop partnerships such as GBEB across the whole country. The executive summary states:-

'Our goal is simple. Universal coverage in England of Strategic Authorities – which should be a number of councils working together, covering areas that people recognise and work in. Many places already have Combined Authorities that serve this role. The government will continue to develop new Strategic Authorities collaboratively and in partnership with places.'

- 4.14 Having strategic partnerships such as GBEB in the lead up to and Combined Authority arrangements will remain clearly valuable there is much value in Arun continuing to be part of such a partnership to ensure it effectively communicates and contributes to what would be the right way forward for the greater Sussex area.

5. CONSULTATION

- 5.1 None.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1 The council could decide to leave GBEB, but officers would very strongly recommend against such a step because it would limit the opportunity for the council to work collaboratively on 'larger than local' projects and use GBEB to have a more substantial 'voice' in engaging with government and would be counterproductive as discussions regarding devolution and local government reorganisation continue to develop.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1 There are no additional financial implications associated with the proposal in this report. Savings of £23,000 would be achieved if the council ceased its membership of GBEB.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1 There are none directly arising from this report.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1 In July 2019 approval from Full Council for Arun District Council to become a member of the Greater Brighton Economic Board (GBEB) was given. Upon the council becoming a constituent of the GBEB they joined The Greater Brighton Economic Joint Committee (GBEJC) which is a joint committee established pursuant to section 102(1)(b) of the Local Government Act 1972 and membership is in accordance with the council's constitution Part 3. Article 11.1.
- 9.2 The Council is represented at the Board by the Leader of the Council or the Leader's nominated substitute.
- 9.3 Section 1 of the Localism Act 2011 empowers the council to anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 9.4 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

10. HUMAN RESOURCES IMPACT

- 10.1 There are none directly arising from this report.

11. HEALTH & SAFETY IMPACT

- 11.1 There are no health and safety matters directly arising from this report.

12. PROPERTY & ESTATES IMPACT

- 12.1 There are none directly arising from this report.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 13.1 There are no EIA issues directly arising from this report.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 14.1 There are no climate change or environmental impact directly arising from this report.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1 There are no crime and disorder matters directly arising from this report.

16. HUMAN RIGHTS IMPACT

- 16.1 There are no human right matters directly arising from this report.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1 There are no FOI/data protection matters directly arising from this report.

CONTACT OFFICER:

Name: Karl Roberts

Job Title: Director of Growth

Contact Number: 01903 737760

BACKGROUND DOCUMENTS:

https://assets.publishing.service.gov.uk/media/676028c9cfbf84c3b2bcfa57/English_Devolution_White_Paper_Web_Accessible.pdf

Arun District Council

REPORT TO:	Policy and Finance Committee – 13 February 2025
SUBJECT:	Key Performance Indicators 2022-2026 – Quarter 2 performance report for the period 1 April 2024 to 30 September 2024
LEAD OFFICER:	Jackie Follis – Group Head of Organisational Excellence
LEAD MEMBER:	Councillor Lury
WARDS:	N/A
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
The Key Performance Indicators support the Council's Vision and allows the Council to identify how well we are delivering across a full range of services.	
DIRECTORATE POLICY CONTEXT:	
This report is produced by the Group Head of Organisational Excellence to give an update on the Q2 Performance outturn of the Key Performance Indicators.	
FINANCIAL SUMMARY:	
Not required.	

1. PURPOSE OF REPORT

- 1.1. This report is to update the Committee on the Q2 Performance Outturn for the Key Performance Indicators (KPIs) which make up the Corporate Plan, for the period 1 April 2024 to 30 September 2024.

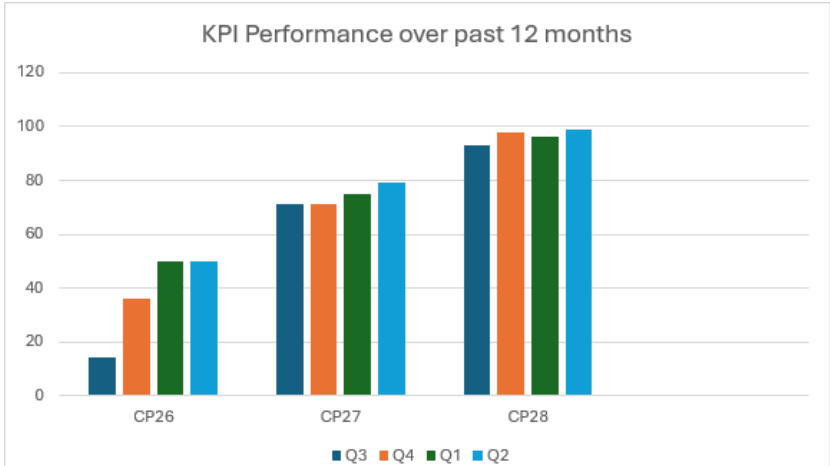
2. RECOMMENDATIONS

- 2.1. The Committee is invited to ask questions and make any observations regarding this report.

3. EXECUTIVE SUMMARY

- 3.1. This report sets out the performance of the Key Performance indicators at Quarter 2 for the period 1 April 2024 to 30 September 2024.
- 3.2. The following positive performance is to be noted for the KPI's in Q2:

KPI	Positive performance for Q2
CP3 - % of FOI requests responded to in 20 working days	The team continue to deliver excellent performance in this area. The ICO classify performance as 'Good' if 95% or more of requests, internal reviews and complaints are managed within timescales and our performance was 99% in Q1 and 97% in Q2.

CP8 - Business rates collected and CP9 - Council tax collected	We have met the targets in both Q1 and Q2 for collecting Business Rates and Council Tax.
CP12 - Number of missed refuse and recycling collections per 100,000	We have been positively under target for this KPI for the last two quarters.
CP15 - Time taken to process Housing/Council Tax Benefit new claims and changes in circumstances	The team have consistently achieved extremely good performance with this KPI and it has been significantly under the target of 8 days for two quarters. Our Council's performance is within the top quartile (top 25% in country as per DWP stats).
CP22 - Vacant private sector dwellings returned to occupation	The target of 50 has been exceeded already at Q2. One empty property has been demolished and 20 units developed which has significantly boosted this figure.
CP23 - Residual household waste per house per annum	We have been positively under target for this KPI for the last two quarters.
CP43 - Overall Tenant Satisfaction	Q2 saw an overall satisfaction score of 62%, a 1% increase on the previous quarter. This is one of four satisfaction measures that have seen a consistent improvement since utilising our new methodology, along with safe homes, time taken for repairs and being kept.
Planning	<p>Performance in Planning remains excellent and continues to improve. For Q2 nearly every planning application was determined in time – only 12 out of 165 applications were not determined in time and 10 of these were because they needed to be determined at Planning Committee. Every KPI has seen an improvement over the past 12 months:</p> <ul style="list-style-type: none"> • CP26 has improved from 14% in Q3, 36% in Q4, 50% in Q1 and 50% in Q2 (w/o Extensions of Time) • CP27 has improved from 71% in Q3, 71% in Q4, 75% in Q1 and 79% in Q2 (w/o Extensions of Time) • CP28 has improved from 93% in Q3, 98% in Q4, 96% in Q1 and 99% in Q2 (w/o Extensions of Time) • 

Building Control	In terms of Building Control, we are going to be providing Building Control management support to another Council (initially for 6 months) commencing on 15 October 2024. This will realise significant establishment savings against this Arun management post, certainly for 2024/25.
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4. DETAIL

- 4.1. The Council Vision 2022-2026 was approved at Full Council in March 2022. To support the Vision we need a comprehensive and meaningful set of performance measures which allow us to identify how well we are delivering across a full range of services. Two kinds of indicators were agreed at the Policy and Finance Committee on 17 March 2022. The first of these are annual indicators and will primarily update the progress against strategic milestones. In addition to this 'key performance indicators' (KPIs) will be reported to committees every quarter. These KPIs are known as our Corporate Plan.
- 4.2. A standard report and appendix showing quarterly performance against all indicators will go to each of the Committees in the cycle of meetings after each quarter has ended and will then go to the relevant Policy and Finance Committee meeting at the end of the cycle of the other Committee meetings
- 4.3. Members of the other Committees will be able to give comments or ask questions of officers about the KPI indicators that are relevant to their Committee and these can be referred to the Policy and Finance Committee for consideration if deemed necessary.
- 4.4. The Committee meetings that will receive Q2 KPI reports are as follows:

Committee meeting	Meeting date	Indicators to receive report on
Planning Committee	13 November 2024	10 (CP26, CP27, CP28, CP29, CP30, CP31, CP32, CP33, CP34 CP35)
Environment Committee	14 November 2024	10 (CP12, CP13, CP22, CP23, CP24, CP25, CP37, CP38, CP39, CP40)
Housing & Wellbeing Committee	21 November 2024	9 (CP11, CP15, CP16, CP17, CP18, CP19, CP20, CP21, CP43)
Licensing Committee	13 December 2024	1 (CP14)
Corporate Support Committee	6 February 2025	9 (CP1, CP2, CP3, CP4, CP5, CP6, CP7, CP8, CP9)
Policy & Finance Committee	13 February 2025	39 indicators CP10, CP36, CP41, CP42 are reported annually at Q4

- 4.5. Thresholds are used to establish which category of performance each indicator is within.

Achieved target	100% or above target figure
Didn't achieve target but within 15% range	85%-99.9% outside of target figure
Didn't achieve target by more than 15%	85% or less target figure

- 4.6. There are 43 Key Performance indicators and 39 indicators are measured at Q2.
- 4.7. Appendix A gives full commentary for each indicator.

Status	Number of Key Performance indicators in this category at Q2
Achieved target	19
Didn't achieve but within 15% range	8
Didn't achieve target by more than 15%	10
No data available	1
Status not known until Q4	1
TOTAL	39

- 4.8. Actions to be taken - Indicators that didn't achieve:

KPI's to Corporate Support

KPI	Actions to be taken
CP1 - % of Stage 2 responses responded to in time	To be monitored by Group Head of Law and Governance. This continues to be a challenge partly due to the number of officers able to respond at this level in certain areas. Due to low numbers of stage 2 complaints a change of 1 or 2 can impact status. Out of 5 sent only 3 were overdue. Mandatory training is being rolled out for all housing staff in Q3. Corporate complaints manager is looking into systems availability to improve complaint handling and visibility across all services
CP2 - % of Stage 1 responses responded to within 10 working days	The outturn for September was 85% and this is a fantastic result and shows a desire throughout the council to engage and help our residents. As with stage 2 a change of 1 or 2 in either direction can change the percentage by a large margin. Out of 20 sent 17 were on time. As above, this will be monitored by Group Head of Law and Governance and the Corporate complaints manager is looking into systems availability to improve complaint handling and visibility across all services
CP4 - Sickness absence	CLT are regularly monitoring this situation with HR.
CP5 - Staff turnover	CLT are regularly monitoring this situation with HR.
CP7 - Average call wait time (secs) for the last month	To be monitored by the Group Head of Finance although it is hoped that call volumes will be lower going forwards and recruitment to the vacant Customer Services Advisor posts will help to lower the wait times.

KPI's to Housing and Wellbeing Committee

KPI	Actions to be taken
CP16 - Average days to re-let all properties (key to key) excluding major voids	This KPI is continuously monitored by the Group Head of Housing, Wellbeing and Communities. The team have worked hard to address the backlog of long-term voids, and they anticipate continued progress in reducing the re-let times. The outturn for Q2 has not improved since Q1 due to working to bring a number of long term voids back into use and negative impact that these have on key to key times
CP21 - Percentage of non-emergency repairs completed within 20 working days	This KPI is continuously monitored by the Group Head of Housing, Wellbeing and Communities. The team are currently working through validation issues in respect of this KPI. This is due to the implementation of the new scheduling software and changes required to ways of working, as we continue to embed the in-sourced responsive repairs service.

KPI's to Planning Committee

KPI	Actions to be taken
CP32 - Average number of days to determine application - Discharge of Condition	The Director of Growth and Group Head of Planning will continue to monitor the performance of this indicator.
CP33 - Average number of days to determine major planning applications	The Director of Growth and Group Head of Planning will continue to monitor the performance of this indicator.

KPI's to Environment Committee

KPI	Actions to be taken
CP37 - Building Regulation submissions processed within 5 weeks (or 2 months if client requests extension)	The Director of Growth and Group Head of Technical Services will continue to monitor this KPI and consideration is being given to the management of this indicator as an applicant can keep the application going without a statutory decision being made as long as they wish.

5. CONSULTATION

5.1. No consultation has taken place.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1. To review the report
- 6.2. To request further information and/or remedial actions be undertaken

7. COMMENTS BY THE GROUP HEAD OF CORPORATE SUPPORT/SECTION 151 OFFICER

7.1. None required.

8. RISK ASSESSMENT CONSIDERATIONS

8.1. None required

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

9.1. As this report is an information paper, there are no recommendations for the Committee to consider. This report is to be taken as read only with Members having the opportunity to ask questions at the meeting on service performance. Questions or comments on the indicators relevant to each Committee may be submitted to this Committee for consideration.

10. HUMAN RESOURCES IMPACT

10.1. Not applicable.

11. HEALTH & SAFETY IMPACT

11.1. Not applicable.

12. PROPERTY & ESTATES IMPACT

12.1. Not applicable.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

13.1. Not applicable.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1. Not applicable.

15. CRIME AND DISORDER REDUCTION IMPACT

15.1. Not applicable.

16. HUMAN RIGHTS IMPACT

16.1. Not applicable.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. Not applicable.

CONTACT OFFICER:

Name: Jackie Follis

Job Title: Group Head of Organisational Excellence

Contact Number: 01903 737580

BACKGROUND DOCUMENTS: *None*

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No.	Indicator	Service Committee to consider this	CLT Member	Assess by	Target 202425	Q1 Status	Q2 status	Improved or not since Q1 figure (Q2 compared to Q1)	Q2 Commentary
CP1	% of Stage 2 responses responded to in time	Corporate Support	Dawn Hudd	Higher is better	80%	Not achieving Outturn for Q1 62%	Not achieving Outturn for Q2 56%	Not improved - Lower than Q1	This continues to be a challenge partly due to the number of officers able to respond at this level in certain areas. Due to low numbers of stage 2 complaints a change of 1 or 2 can impact status. Out of 5 sent only 3 were overdue. Mandatory training is being rolled out for all housing staff in Q3. Corporate complaints manager is looking into systems availability to improve complaint handling and visibility across all services
CP2	% of Stage 1 responses responded to within 10 working days	Corporate Support	Dawn Hudd	Higher is better	80%	Not achieving Outturn for Q1 61%	Not achieving Outturn for Q2 65%	Not improved - Lower than Q1	The outturn for September was 85% and this is a fantastic result and shows a desire throughout the council to engage and help our residents. As with stage 2 a change of 1 or 2 in either direction can change the percentage by a large margin. Out of 20 sent 17 were on time. Please also see CP1 commentary
CP3	% of FOI requests responded to in 20 working days	Corporate Support	Dawn Hudd	Higher is better	80%	Achieving Outturn for Q1 99%	Achieving Outturn for Q2 97%	Not improved - lower than Q1 (but still achieving)	Team continue to deliver excellent performance in this area. The ICO classify performance as 'Good' if 95% or more of requests, internal reviews and complaints are managed within timescales.
CP4	Sickness absence	Corporate Support	Karl Roberts	Lower is better	2.2%	Not achieving Outturn for Q1 2.96%	Not achieving Outturn for Q2 3.34%	Not improved - Higher than Q1	Figures provided are based on a rolling year of 1/10/23 to 30/09/24 to align with the annual target of 2.2%. This figure equates to 8.73 FTE days lost to sickness absence. Short term absence remains relatively stable at around 1% of working time lost. Long term absence has seen a steady increase since April 24 increasing by 0.5% to a total of 2.33%
CP5	Staff turnover	Corporate Support	Karl Roberts	Lower is better	14%	Achieving Outturn for Q1 14%	Not achieving Outturn for Q2 14.5%	Not improved - Higher than Q1	Figures provided are based on a rolling year of 1/10/23 to 30/09/24 to align with the annual target of 14%. Based on 57 leavers during the period 1/08/23 to 30/09/24. Turnover has remained static at around 14% since Apr 24. The turnover rate has reduced by approx. 1% since Sept 23.
CP6	Compliance with Health and Safety programme	Corporate Support	Karl Roberts	Higher is better	100%	Not achieving but within 15% range Outturn for Q1 89%	Not achieving but within 15% range Outturn for Q2 90%	Improved - higher than Q1	Only one task was issued this quarter due to work by corporate health and safety on the lone working and preparation for audit by ROSPA. Whilst 90% is a good response level, this fall below target of 100% and there were whole teams who did not complete the allocated task. In this case the task required staff to review fire safety evacuation information and means there may still be staff who do not have good knowledge of the current arrangements. This performance of this KPI is being constantly monitored by the Director of Growth and Group Head of Technical Services.
CP7	Average call wait time (secs) for the last month	Corporate Support	Dawn Hudd	Lower is better	4 minutes	Not achieving Outturn for Q1 5.13	Not achieving Outturn for Q2 4.57	Improved - lower than Q1	Small decrease of 16 seconds from Q1 to Q2. This is largely due to September slowing down and having more advisors online with less A/L and flexi to accommodate July and August have much higher outturns than September: July – 5 mins 43 seconds Sept - 6 mins 26 seconds
CP8	Business rates collected	Corporate Support	Dawn Hudd	Higher is better	97%	Achieving Outturn for Q1 28.40%	Achieving Outturn for Q2 51.20%	Improved - higher than Q1	Target for September/Q2 is 51.20%. This is therefore on target and collection will ease nearer to target over remaining months of financial year.

No.	Indicator	Service Committee to consider this	CLT Member	Assess by	Target 202425	Q1 Status	Q2 status	Improved or not since Q1 figure (Q2 compared to Q1)	Q2 Commentary
CP9	Council tax collected	Corporate Support	Dawn Hudd	Higher is better	96.5%	Achieving Outturn for Q1 31.60%	Achieving Outturn for Q2 58.30%	Improved - higher than Q1	Target for September/Q2 is 58.30%. This is therefore on target however monthly and YTD collection rate affected by incorrect file format from Enforcement Agents which credited one account by £8m. This has now been backed out and will reflect in next month's stats.
CP11	Number of Visits to Council Leisure Centres	Housing & Wellbeing	Philippa Dart	Higher is better	956, 650	No status known until Q4 Outturn for Q1 342,402	No status known until Q4 Outturn for Q2 686,640	Improved - higher than Q1	An increase of 6.7% vs 2023 April – Sept. Positive increases within swimming lessons and group exercise numbers have been the main successes.
CP12	Number of missed refuse and recycling collections per 100,000 within contractual target	Environment	Philippa Dart	Lower is better	80	Achieving Outturn for Q1 63.59	Achieving Outturn for Q2 61.98	Improved - lower than Q1	This is within the contract target and shows an improvement on the same period last year.
CP13	Food businesses with food hygiene ratings of 3 (satisfactory and above)	Environment	Karl Roberts	Higher is better	93%	Achieving Outturn for Q1 99.08%	Achieving Outturn for Q2 98.86%	Not improved - lower than Q1 (but still achieving)	Performance being maintained above target. In Q2, 125 routine food inspections were completed. 9 premises failed to achieved a score of 3 or above at the initial inspection. 9 revisits and 1 rescore inspection were carried out to ensure minimum required standards are being achieved where the initial score was 2 or less. A rating is only reviewed at the next routine inspection (not a revisit) or where a paid rescore visit is carried out. 107 written warnings were also issued this quarter.
CP14	% of licence applications determined within the various statutory or service time limits	Licensing	Karl Roberts	Higher is better	90%	Achieving Outturn for Q1 93.10%	Achieving Outturn for Q2 94%	Improved - higher than Q1	Target achieved, however due to vacancies this has been at the expense of other work including progressing policy reviews.
CP15	Time taken to process Housing/Council Tax Benefit new claims and changes in circumstances	Housing & Wellbeing	Dawn Hudd	Lower is better	8 days	Achieving Outturn for Q1 3.7 days	Achieving Outturn for Q2 3.79 days	Not improved - higher than Q1 (but still achieving)	On target – Performance within top quartile (top 25% in country as per DWP stats)
CP16	Average days to re-let all properties (key to key) excluding major voids	Housing & Wellbeing	Philippa Dart	Lower is better	Q1 70 Q2 60 Q3 50 Q4 40	Achieving Outturn for Q1 59 days	Not achieving Outturn for Q2 98 days	Not improved - Higher than Q1	The target number of days for Q2 is 60 days. During this quarter, we have successfully re-let several long-term void properties, most notably at Flaxmean House and New Road. The self-contained units at Flaxmean House are being used as age-appropriate temporary accommodation for homeless clients whilst we progress detailed designed for remodelling, approved by Members. Additionally, the New Road HMO is fully operational, serving our Street Homeless Community with additional support services to assist residents in reintegrating into settled accommodation. The team has worked hard to address the backlog of long-term voids, and we anticipate continued progress in reducing the re-let times. The outturn for Q2 has not improved since Q1 due to working to bring a number of long term voids back into use and negative impact that these have on key to key times

No.	Indicator	Service Committee to consider this	CLT Member	Assess by	Target 202425	Q1 Status	Q2 status	Improved or not since Q1 figure (Q2 compared to Q1)	Q2 Commentary
CP17	Of homeless cases owed a prevention duty, % successfully resolved	Housing & Wellbeing	Philippa Dart	Higher is better	55%	Not achieving but within the 15% range Outturn for Q1 53%	Achieving Outturn for Q2 56%	Improved - higher than Q1	Prevention duties can end for various reasons, such as successfully negotiating with a landlord or parent to allow the occupier to remain in the property, paying off arrears, or arranging a payment plan. Alternatively, duties may end when suitable accommodation is secured through the private rented sector or the social housing register. Unsuccessful prevention cases typically result in a relief duty being accepted. In this period, 65 cases were successfully prevented, while 51 moved to relief duty, totalling 116 cases (65 + 51 = 116).
CP18	Of homeless cases owed a relief duty, % positively relieved	Housing & Wellbeing	Philippa Dart	Higher is better	35%	Not achieving but within the 15% range Outturn for Q1 31%	Achieving Outturn for Q2 35%	Improved - higher than Q1	Relief duties have a resolution rate of 35%, with 142 cases ending and 50 resolved. Of the 50 resolved cases, alternative housing was secured through the private rented sector or the social housing register. The remaining 92 cases have progressed to the main housing duty. In total, 142 cases ended (50 resolved + 92 moved to main duty = 142).
CP19	Number of Housing Register applications activated 'live' within 15 working days upon receipt of all verification documents	Housing & Wellbeing	Philippa Dart	Higher is better	75%	No data available	No data available	No data available	We only started accepting Housing Applications via Abris on 19 August, therefore we do not have a full quarter to provide accurate figures. In addition the reporting function is still in Development. We are aiming to be able to report in Q3, however this will be in partnership with Abris.
CP20	Rent collected as a proportion of rent owed (dwellings)	Housing & Wellbeing	Philippa Dart	Higher is better	97%	Not achieving but within the 15% range Outturn for Q1 93.58%	Not achieving but within the 15% range Outturn for Q2 94.09%	Improved - higher than Q1	The current collection rate stands at 94.09%, which, while slightly improved from Q1, reflects some delays in income recovery due to transition to CX as our lead Housing Management System. Officers are becoming more skilled in using CX following comprehensive training sessions. It's important to note that we are still validating figures due to the ongoing system transition.
CP21	Percentage of non-emergency repairs completed within 20 working days	Housing & Wellbeing	Philippa Dart	Higher is better	90%	Not achieving but within the 15% range Outturn for Q1 87.78%	Not achieving Outturn for Q2 72.95%	Not improved - Lower responses than Q1	We are currently working through validation issues in respect of this KPI. This is due to the implementation of the new scheduling software and changes required to ways of working, as we continue to embed the in-sourced responsive repairs service.
CP22	Vacant private sector dwellings returned to occupation	Environment	Karl Roberts	Higher is better	50	Achieving Outturn for Q1 19	Achieving Outturn for Q2 59	Improved - higher than Q1	Target for the year (50) has been exceeded. Q2 figure had one empty demolished and 20 units developed which has significantly boosted this figure.
CP23	Residual household waste per household per annum	Environment	Philippa Dart	Lower is better	450kg	Achieving Outturn for Q1 109.84kg/hh	Achieving Outturn for Q2 220.70kg/hh	Not improved - higher than Q1 (but still achieving)	On track for being below annual target
CP24	Household waste sent for re use, recycling and composting.	Environment	Philippa Dart	Higher is better	55%	Not achieving but within the 15% range Outturn for Q1 49.03%	Not achieving but within the 15% range Outturn for Q2 47.70%	Not improved - Lower than Q1	This is higher than the corresponding period last year with a particularly strong green waste performance and tonnage

No.	Indicator	Service Committee to consider this	CLT Member	Assess by	Target 2024/25	Q1 Status	Q2 status	Improved or not since Q1 figure (Q2 compared to Q1)	Q2 Commentary
CP25	Contractor achieving performance target for all green space management operations following monitoring	Environment	Philippa Dart	Higher is better	>66%	Not achieving but within the 15% range Outturn for Q1 63.94%	Achieving Outturn for Q2 70%	Improved - higher than Q1	After a difficult first quarter, April in particular, Tivoli's performance significantly improved during quarter 2. An average score of 70.11% has been achieved. 57 sites were inspected for performance monitoring. 10 sites failed to reach the minimum 66% contractual minimum score. This triggered a remedy notice on each occasion. Depending on the level of urgency remedial work is required to be undertaken between 24 hours to 5 working days. 7 sites exceeded 80% (exceptional).
CP26	Major applications determined in 13 weeks or agreed extension of time	Planning	Karl Roberts	Higher is better	80%	Achieving Outturn for Q1 50% (88%)	Not achieving but within the 15% range Outturn for Q2 50% (75%)	Not improved - lower than Q1 (but still achieving)	Both applications that were not determined within time were determined at Committee and required a s106 agreement. A figure of 50% would achieve the national targets from 1 October 2024 and this has been achieved without the use of Extensions of Time. Figure used for determining status is the one in brackets (with extension of time).
CP27	Minor applications determined in 8 weeks or agreed extension of time	Planning	Karl Roberts	Higher is better	90%	Achieving Outturn for Q1 75% (96%)	Achieving Outturn for Q2 79% (90%)	Not improved - lower than Q1 (but still achieving)	79% of applications determined within time without the use of Extensions of Time remains excellent performance. This is further improvement compared to Q3, Q4 in 23/24 and Q1 in 24/25. The Council now works differently to what it did 12 months ago and does not routinely seek Extensions of Time. The target of 90% was set when Extensions of Time were included. Figure used for determining status is the one in brackets (with extension of time).
CP28	% of other applications determined in 8 weeks or agreed extension of time	Planning	Karl Roberts	Higher is better	90%	Achieving Outturn for Q1 96%	Achieving Outturn for Q2 99%	Improved - higher than Q1	118 out of 119 applications determined within time in Q2. The one application not determined in time was because it had to be determined at Committee.
CP29	Average number of days to determine householder application	Planning	Karl Roberts	Lower is better	55 days	Achieving Outturn for Q1 52 days	Achieving Outturn for Q2 51 days	Improved - lower than Q1	Target achieved.
CP30	Average number of days to determine other applications	Planning	Karl Roberts	Lower is better	55 days	Not achieving Outturn for Q1 65 days	Achieving Outturn for Q2 49 days	Improved - lower than Q1	Target achieved
CP31	Average number of days to determine applications - Trees	Planning	Karl Roberts	Lower is better	40 days	Not achieving Outturn for Q1 48 days	Not achieving but within the 15% range Outturn for Q2 45 days	Improved - lower than Q1	Target achieved.
CP32	Average number of days to determine application - Discharge of Condition	Planning	Karl Roberts	Lower is better	40 days	Not achieving Outturn for Q1 93 days	Not achieving Outturn for Q2 84 days	Improved - lower than Q1	Q2 - The council continues to have difficulties in being able to discharge conditions that relate to technical matters such as surface water drainage. The discharge of the majority of other conditions is very good. We have so far been unable to secure additional resources and review times remain long.
CP33	Average number of days to determine major planning applications	Planning	Karl Roberts	Lower is better	120 days	Not achieving but within the 15% range Outturn for Q1 121 days	Not achieving Outturn for Q2 157 days	Not improved - Higher than Q1	Q2 - Only 4 applications.

No.	Indicator	Service Committee to consider this	CLT Member	Assess by	Target 202425	Q1 Status	Q2 status	Improved or not since Q1 figure (Q2 compared to Q1)	Q2 Commentary
CP34	Average number of days to determine minor planning applications	Planning	Karl Roberts	Lower is better	55 days	Not achieving but within the 15% range Outturn for Q1 59 days	Not achieving but within the 15% range Outturn for Q2 58 days	Improved - lower than Q1	Q2 - Target not achieved by 3 days. Only 5 applications not determined within time and 3 of these were because they were determined at Planning Committee.
CP35	% of planning applications registered within 5 days	Planning	Karl Roberts	Higher is better	70%	Achieving Outturn for Q1 96%	Achieving Outturn for Q2 96%	Same as Q1	Target Achieved.
CP37	Building Regulation submissions processed within 5 weeks (or 2 months if client requests extension)	Environment	Karl Roberts	Higher is better	100%	Not achieving but within the 15% range Outturn for Q1 99%	Not achieving Outturn for Q2 84%	Not improved - lower than Q1	The relevance of this long-term target now needs to be reconsidered as the applicant can keep the application going without a statutory decision being made as long as they wish. Good news - we are working to provide Building Control Management Support to another council (initially for 6 months) which will realise significant budget savings against this Arun post.
CP38	% of Building Regulation submissions assessed within 21 days of date of deposit with the Council	Environment	Karl Roberts	Higher is better	60%	Achieving Outturn for Q1 96%	Achieving Outturn for Q2 96%	Same as Q1	Target exceeded.
CP39	% of Building Control applications registered within 3 days	Environment	Karl Roberts	Higher is better	60%	Not achieving Outturn for Q1 47%	Not achieving but within the 15% range Outturn for Q2 53%	Improved - higher than Q1	Target not met but improvement against Q1.
CP40	Building control site inspection dealt with within one day	Environment	Karl Roberts	Higher is better	100%	Not achieving but within the 15% range Outturn for Q1 97%	Not achieving but within the 15% range Outturn for Q2 99.47%	Improved - higher than Q1	Target not met but only 53 out 2881 inspections not undertaken on same day. Improvement against Q1.
CP43	Overall Tenant Satisfaction	Housing & Wellbeing	Philippa Dart	Higher is better	>58%	Achieving Outturn for Q1 61%	Achieving Outturn for Q2 62%	Improved - higher than Q1	Q2 saw an overall satisfaction score of 62%, a 1% increase on the previous quarter. This is one of four satisfaction measures that have seen a consistent improvement since utilising our new methodology, along with safe homes, time taken for repairs and being kept. It's important to note that statistical validity will not be achieved until Q4.

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Arun District Council

REPORT TO:	Policy & Finance Committee – 13 February 2025
SUBJECT:	Committee Revenue and Capital Budgets 2025/26
LEAD OFFICER:	Antony Baden, Group Head of Finance and Section 151 Officer
LEAD MEMBER:	Councillor Martin Lury
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
The Council's financial planning and budget promotes all of the Council's Corporate Priorities.	
DIRECTORATE POLICY CONTEXT:	
The Council's financial planning and budget supports all Directorates of the Council.	
FINANCIAL SUMMARY:	
The draft budgets for this Committee are shown in the appendices.	

1. PURPOSE OF REPORT

- 1.1. This report is for the Committee to consider and recommend its revenue and capital budgets for inclusion in the Council's 2025/26 budget. The agreed budgets will then form part of the overall revenue and capital budgets for 2025/26 to be considered at Agenda Item 10 for this meeting, so that recommendations can be made to Full Council on 26 February 2025 regarding the budgets to be set and level of Council Tax for the District for 2025/26.

2. RECOMMENDATIONS

- 2.1 It is recommended that this Committee:
- (a) Agrees the 2025/26 Revenue Budget as set out in Appendix A;
 - (b) Agrees the 2025/26 Capital Programme as set out in Appendix B; and
 - (c) Agrees that the Revenue and Capital Budgets for this Committee be included in the Council's overall 2025/26 Revenue and Capital Budget.

3. EXECUTIVE SUMMARY

- 3.1. This report sets out the 2025/26 revenue and capital budgets for this Committee to consider and recommend for inclusion in the Council's overall 2025/26 Revenue and Capital Budget.

4. DETAIL

- 4.1. The Medium Term Financial Forecast (MTFF) 2025/26 to 2029/30 report to Policy and Finance Committee on 11 December 2024, provided members with the general background to the 2025/26 budget process along with a high-level update on the current financial and economic prospects arising from the main issues affecting the Council and their impact on the financial forecast for the next five years.
- 4.2. The MTFF advised that officers will develop budget proposals for the consideration of each service committee, which will enable the Council to maintain and replenish an adequate level of Usable Revenue Reserves as decided by the Group Head of Finance and Section 151 Officer.
- 4.3. The basis of revenue budgeting for 2025/26 broadly assumes that current levels of service provision will remain unchanged. This means that whilst inflation increases have been included, there is no growth within the budget proposals, except for the establishment of a programme management office.
- 4.4. The 2025/26 revenue budget totalling £1.671m is set out in Appendix A and shows a net reduction of £275k from 2024/25. The key changes are summarised in the table below:

Change	Amount £'000
Two group head posts deleted and other staff savings	(246)
Transfer staff to Housing & Wellbeing Committee	(110)
Programme Management Office Project fees	60
Other minor changes	21
Total	(275)

- 4.5. The budget shows a reduction in staffing from savings of £246k in two group head posts along with savings achieved from flexible working practices. In addition, there is a reduction in the Committee's budget of £110k from the transfer of a group head post to the Housing & Wellbeing Committee HRA and General Fund budgets.
- 4.6. The funding for the capital programme will be determined by the Committee as part of a separate item on this meeting's agenda. Existing schemes and new schemes will continue to be reviewed during 2025/26 for affordability and deliverability. The impact of any new borrowing will also be kept under review and reported to Members during the financial year.
- 4.7. The planned capital programme is set out in Appendix B and totals £12.649m for 2025/26 and is comprised of:
- Alexandra Theatre £10.324m
 - Littlehampton Seafront £2.325m

5. CONSULTATION

- 5.1. No consultation has taken place with external organisations regarding this committee's budget, but a wider budget consultation process is taking place in respect of the Council's overall budget.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1. Not applicable.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1. The financial implications are shown throughout the report. It is important that close monitoring of both revenue budgets, and the capital programme is in place.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1. The risks outlined in the Medium Term Financial Forecast 2025/26 to 2029/30 reported to Policy and Finance Committee 11 December 2024 remain relevant. Members may wish to review these alongside this report.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs while section 25 of the Local Government Act 2003 requires the Council to have due regard to a statement on the adequacy of reserves and the robustness of the budget, produced by the Chief Financial Officer, when making its budget decisions.

- 9.2. The Council is required to set a balanced budget, and the Chief Financial Officer must report under s114 of the Local Government Finance Act 1988 if it appears to them that the expenditure of the authority incurred (or proposed to be incurred) in a financial year is likely to exceed the resources available to meet that expenditure.

10. HUMAN RESOURCES IMPACT

- 10.1. There are no direct implications.

11. HEALTH & SAFETY IMPACT

- 11.1. There are no direct implications.

12. PROPERTY & ESTATES IMPACT

- 12.1. There are no direct implications.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 13.1. There are no direct implications.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1. There are no direct implications.

15. CRIME AND DISORDER REDUCTION IMPACT

15.1. There are no direct implications.

16. HUMAN RIGHTS IMPACT

16.1. None.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1. There are no direct implications.

CONTACT OFFICER:

Name: Antony Baden

Job Title: Group Head of Finance and Section 151 Officer

Contact Number: 01903 737558

BACKGROUND DOCUMENTS:

Arun District Council Budget 2024/25 - Special, Full Council 21 February 2024

[Arun District Council Budget 2024-25 - Report](#)

Medium Term Financial Forecast 2025/26 to 2029/30 –Policy & Finance Committee
11 December 2024

[Medium Term Financial Forecast 2025-26 - Report](#)

**Policy & Finance Committee
General Fund Revenue Budget 2025/26**

Actual 2023-24 £'000	Description	Budget 2024-25 £'000	Budget 2025-26 £'000
Policy and Finance Committee			
1,508	Corporate Management	1,744	1,469
273	Climate Change	202	202
1,781	Committee Total:	1,946	1,671

**Policy & Finance Committee
Capital Programme 2025/26**

Actual 2023/24	Policy & Finance Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Note
£'000		£'000	£'000	£'000	£'000	£'000	
1,450	Alexandra Theatre	11,794	2,805	10,324	4,327	-	1
466	Littlehampton Seafront	5,743	4,362	2,325	-	-	2
654	Littlehampton Harbour Entrance Renewal	-	-	-	-	-	3
2,570	Total Policy & Finance	17,537	7,167	12,649	4,327	-	

Notes

- Alexandra Theatre – A full project update was submitted to Policy & Finance Committee on 24 October 2024 which included an additional budget provision of £3 million due to the inflationary cost pressures in the construction industry. A significant proportion of the project has also been reprofiled to 2025/26 due to delays in the project including for example, delays in discharge of planning conditions and finalising the full detailed design.
- Littlehampton Seafront - the programme has been reprofiled in 2024/25 to reflect the latest cashflow to fit in line with project delivery.
- Scheme completed 2023/24.



Arun District Council
General Fund and HRA Budget's for the year 2025/26



INDEX FOR FINANCIAL REPORT

Page No.	Schedule Name	Schedule Description
3	Arun District Council Financial Dashboard	GF and HRA Budget for the year 2025/26
4	Cost of Service – Committee	GF (General Fund) Income & Expenditure by Committee
5	Cost of Service – Group Head	GF (General Fund) Income & Expenditure by Group Head
6	General Fund Capital Programme Spend Profile	GF Capital Multiple Year Spend Profile
7-8	General Fund Capital	Capital Programme by Committee
9-10	HRA (Housing Revenue Account)	Income & Expenditure
11	HRA Capital	Capital Programme

Arun District Council Financial Dashboard

General Fund and HRA Budget for the year 2025/26

1. GENERAL FUND £'000	2024/25 Budget	2025/26 Budget	Budget Year on Year Variance	2024/25 Q3/P7 Full Year Forecast	Final Outturn 2023/24
Total: Cost of Service	28,372	28,876	504	28,458	26,979
Total: Corporate Costs	4,803	5,438	635	4,775	3,957
TOTAL COST GENERAL FUND	33,176	34,314	1,138	33,233	30,936
Total: Financed By	(29,619)	(32,429)	(2,810)	(29,919)	(26,665)
2.RESERVES CONTRIBUTION	3,556	1,885	(1,671)	3,314	4,270

4. HOUSING REVENUE ACCOUNT (HRA) £'000	2024/25 Budget	2025/26 Budget	Budget Year on Year Variance	2024/25 Q3/P7 Full Year Forecast	Final Outturn 2023/24
Total: Income	(21,414)	(22,848)	(1,434)	(21,920)	(20,020)
Total: Expenditure	20,882	22,187	1,304	21,511	21,061
(Surplus) / Deficit	(532)	(662)	(130)	(409)	1,041

5. CAPITAL £'000	2024/25 Budget	2025/26 Budget	Budget Year on Year Variance	2024/25 Q3/P7 Full Year Forecast	Final Outturn 2023/24
General Fund	12,794	26,345	13,551	14,022	7,206
HRA	12,626	13,552	926	12,626	7,085
TOTAL CAPITAL	25,420	39,897	14,477	26,648	14,291

3. MEDIUM TERM FINANCIAL FORECAST (MTFF) £'000			
Years	Reserves B/f	Movement	Closing Balance
2024/25	19,677	(1,789)	17,888
2025/26	17,888	(1,885)	16,003
2026/27	16,003	(5,026)	10,977
2027/28	10,977	(5,697)	5,280
2028/29	5,280	(6,460)	(1,180)
2029/30	(1,180)	(6,349)	(7,529)
Closing Balance 2029/30			(7,529)

1&2. The General Fund reserves contribution has reduced for 2025/26, yet still requiring a drawdown of £1.89m from reserves. This is a significant improvement from the budgeted drawn down of reserves of £3.55m and £5.19m in 2024/25 and 2023/24 respectively.

3. MTFF has been updated to reflect the 2025/26 Budget and future projections in the Medium Term Financial Forecast 2025/26 to 2029/30 report to Policy and Finance Committee on 11 December 2024.

4. The HRA 2025/26 budget sees a surplus of £0.66m which will increase the year end reserves to £1.55m, current year end reserves forecast at £0.89m further increasing from £0.48m 2023/24.

5. The 2025/26 capital programme includes reprofiling of £11.2m (General Fund) and £2.5m (HRA) from 2024/25, with 2025/26 General Fund new schemes in relation to the £3.02m waste contract and HR/Payroll system which will require Policy & Finance Committee approvals.

COST OF SERVICE BY COMMITTEE

General Fund Budget 2025/26

Committee	2024/25 Budget	2025/26 Budget	Budget Year on Year Variance	Commentary : Budget Variance over £50k	2024/25 FY Forecast as Q3/P7	Final Outturn 2023/24
	£'000	£'000	£'000		£'000	£'000
Corporate Support	6,102	6,922	820	<ul style="list-style-type: none"> • £129k Pay inflation and adjustments • £211k Breakeven realignment of Finance and Revenues & Benefits • £177k Reduction in recharges to HRA • £99k Various contract Increases • £80k Implementation & Upgrade of existing finance system • £70k Security costs at the Civic Centre and Bognor Regis Town Hall • £54k Centralisation of training budgets offset from other Committees 	6,419	6,276
Economy	2,544	2,582	38	<ul style="list-style-type: none"> • £280k Asset management review project • £75k Pay inflation & adjustments • (£72k) One off grant income • (£105k) Increase in land charges and beach hut rental income • (£110k) Reduction in specialist fees and electricity 	4,217	1,955
Environment	10,901	11,246	345	<ul style="list-style-type: none"> • £218k Waste contract inflation and new utilities provision • £179k Pay inflation & adjustments • £81k Parking contract and specialist fees increases • (£133k) Car parking fee increases of 5% as approved at Environment Committee 	9,209	9,854
Housing & Wellbeing	5,785	5,569	(216)	<ul style="list-style-type: none"> • £643k Increase in homelessness • £138k Pay inflation & adjustments • £70k Supported housing accommodation • (£102k) Net Increase in leisure management fee income • (£211k) Breakeven realignment of Finance and Revenues & Benefits • (£812k) additional homelessness grant income 	6,188	5,957
Planning Policy	1,094	885	(209)	<ul style="list-style-type: none"> • £61k Pay Inflation • (£112k) Growth in planning and CIL management fees • (£147k) Anticipated increase in householder planning application fees to £528 	704	1,158
Policy & Finance	1,946	1,671	(275)	<ul style="list-style-type: none"> • £60k Programme Management Office project • (£246k) Two group head posts deleted and other staff savings • (£110k) Transfer staff to HRA and Housing & Wellbeing 	1,722	1,781
Grand Total	28,372	28,876	504		28,458	26,979

The 2025/26 Budget assumes £582k pay adjustments, 2% inflation, national insurance & vacancy factor. Other funded pressures include £643k for the homelessness budget, £280k for the asset management review project and £299k for waste and parking contracts inflation. These are partly offset by additional homelessness grant income (£812k), additional planning income (£259k) and car parking fees increases (£133k).

CORPORATE COSTS & FINANCED BY

General Fund Budget 2025/26

	2024/25 Budget	2025/26 Budget	Budget Year on Year Variance	Commentary : Budget Variance over £50k	2024/25 FY Forecast as Q3/P7	Final Outturn 2023/24
	£'000	£'000	£'000		£'000	£'000
Total: Cost of Service	28,372	28,876	504		28,458	26,979
Parish Precepts	5,530	5,954	424	• ADC act as agency for Parish Precepts	5,530	5,300
Other precepts and levies	249	249	0		346	323
Interest & investment income	(2,260)	(2,491)	(230)	• Additional income as interest rates have not dropped away as predicted by markets	(2,385)	(2,714)
Pension deficit contributions	1,284	1,226	(58)	• (£58k) Reduced costs due to final part of triennial valuation, as per WSCC Pension Fund and Hymans report dated 2023/24. Review to be undertaken in 25/26 for start of 26/27	1,284	1,048
Contingency	0	500	500	• Contingency	0	0
Total: Corporate Costs	4,803	5,438	635		4,775	3,957
RSG / Retained Business Rates	(8,032)	(8,338)	(306)	• (£306k) Additional income as per Retained Business Rates estimated by LG Futures MTF model. Waiting on Government final financing settlement due Feb 25.	(8,232)	(5,980)
New Homes Bonus	(1,378)	(1,208)	170	• £170k Reduction in New Homes Bonus as estimated by LG Futures MTF model. Waiting on Government final financing settlement due Feb 25.	(1,378)	(616)
Other non ringfenced grants	(1,080)	(2,203)	(1,123)	• £1,100k Core Spending Power Grants • (£843k) Funding Guarantee Grant • (£1,442k) EPR Grant Waiting on Government final financing settlement due Feb 25.	(1,180)	(1,819)
National Insurance Grant	0	(162)	(162)	• (£350k) Expected grant following increases in National Insurance from April 25.	0	0
Council Tax income - ADC	(13,451)	(14,354)	(903)	• (£903k) Increase in tax base to 66,877 Band D equivalents (from 64,550 2024/25) + 2.99% inflation. Large increase in tax base due to 100% premium charge on 2nd homes (approximately 1,840 homes are registered as 2nd homes in the district)	(13,451)	(12,951)
Council Tax income - T&P	(5,530)	(5,954)	(424)	• ADC act as agency for Parish Precepts.	(5,530)	(5,300)
Collection Fund def/(surp)	(148)	(210)	(62)	• (£62k) increase in collection fund surplus due to previous year collections	(148)	0
Total: Financed By	(29,619)	(32,429)	(2,810)		(29,919)	(26,665)
Total: Cost of Service	28,372	28,876	504		28,458	26,979
Total: Corporate Costs	4,803	5,438	635		4,775	3,957
Total: Financed By	(29,619)	(32,429)	(2,810)		(29,919)	(26,665)
Contribution from Reserves	3,556	1,885	(1,671)		3,314	4,270

Corporate costs have increased by £212k mainly due to the Contingency of £500k, partly offset by additional investment and interest income of (£230k). **Financing income** has increased by (£2,386k) mainly due to the EPR payment (£1,442k), additional council tax income (£903k) and the National Insurance Grant (£162k). These are partly offset by a reduction in non-ringfenced grants.

GENERAL FUND CAPITAL PROGRAMME SPEND PROFILE

2025/26 Budget

	Total Capital Project Value	Prior Years Expenditure	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30	External Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Projects									
Alexandra Theatre	18,780	1,324	2,805	10,324	4,327	-	-	-	12,285
Littlehampton Seafront	7,449	762	4,362	2,325	-	-	-	-	7,290
Bognor Regis Arcade, Upper floors	7,991	350	1,181	6,140	320	-	-	-	628
Total: Major Projects	34,220	2,436	8,348	18,789	4,647	-	-	-	20,203

Other Projects									
Bersted Brooks	320	25	50	245	-	-	-	-	-
Swimming Pool Support Fund	135	-	135	-	-	-	-	-	-
General Fund Housing	17	-	17	-	-	-	-	-	-
Webcasting Equipment	62	-	62	-	-	-	-	-	-
HR/Payroll Systems	-	-	-	tbc	tbc	-	-	-	-
Waste Collection	3,020	-	-	3,020	-	-	-	-	-
Parks Chipper	26	-	-	-	26	-	-	-	-
Total: Other Projects	3,580	25	265	3,265	26	-	-	-	-

Rolling Programme									
Information Communication Technology (ICT)	-	-	180	120	280	100	250	160	
Play Areas	-	-	415	355	120	90	100	100	
Improvement & Discretionary Grants	-	-	1,580	1,580	1,580	1,580	1,580	1,580	
Asset Management	-	-	2,007	2,236	1,317	1,000	1,000	1,000	
Total: Rolling Programme	-	-	4,182	4,291	3,297	2,770	2,930	2,840	

Total: General Fund Capital Budget	37,800	2,461	12,794	26,345	7,970	2,770	2,930	2,840	
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The 2025/26 capital programme includes the reprofiling of £11.2m from 2024/25 of which the majority is in relation to the Alexandra Theatre and Bognor Regis Arcade Upper floors capital programmes. The 2025/26 capital programme also includes new schemes in relation to the £3.02m waste contract noting exempt items HR/Payroll systems subject to Policy and Finance Committee approval.

GENERAL FUND CAPITAL PROGRAMME

2025/26 Budget

Actual 2023/24	Corporate Support Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
84	Information Communication Technology (ICT)	-	180	120	280	100	250	160
-	Webcasting Equipment	-	62	-	-	-	-	-
	HR/Payroll Information System			tbc	tbc			
84	Total Corporate	-	242	120	280	100	250	160

Actual 2023/24	Economy Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
754	Asset Management	1,233	2,007	2,236	1,317	1,000	1,000	1,000
350	Bognor Regis Arcade, Upper floors	3,550	1,181	6,140	320	-	-	-
712	Littlehampton Public Realm	-	-	-	-	-	-	-
1,816	Total Economy	4,783	3,188	8,376	1,637	1,000	1,000	1,000

Actual 2023/24	Environment Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,530	Disabled Facilities Grants	1,580	1,580	1,580	1,580	1,580	1,580	1,580
410	Parks	-	50	245	26	-	-	-
203	Play Areas	120	415	355	120	90	100	100
-	Waste Management	-	-	3,020	-	-	-	-
2,143	Total Environment	1,700	2,045	5,200	1,726	1,670	1,680	1,680

Actual 2023/24	Housing & Wellbeing Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
540	Leisure Centres	-	135	-	-	-	-	-
-	General Fund Housing	-	17	-	-	-	-	-
540	Total Housing & Wellbeing	0	152	0	0	0	0	0

Actual 2023/24	Policy & Finance Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
1,450	Alexandra Theatre	11,794	2,805	10,324	4,327	-	-	-
466	Littlehampton Seafront	5,743	4,362	2,325	-	-	-	-
654	Littlehampton Harbour Entrance Renewal	-	-	-	-	-	-	-
2,570	Total Policy & Finance	17,537	7,167	12,649	4,327	-	-	-

7,153	Total Capital Budget	24,020	12,794	26,345	7,969	2,770	2,930	2,840
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The 2025/26 capital programme includes the reprofiling of £11.2m from 2024/25 of which the majority is in relation to the Alexandra Theatre and Bognor Regis Arcade Upper floors capital programmes. The new £3.02m waste capital programme provides food waste receptacles, vehicles and residual bins to meet the requirements of the weekly food waste collection service and fortnightly residual collection service.

HRA REVENUE INC. RESERVES

2025/26 Budget

Key Areas	Original 2024/25 Budget	Original 2025/26 Budget	Budget Year on Year Variance	Commentary : Budget Variance over £50k	2024/25 FY Forecast as Q3/P7	2023/24 Outturn
Income	£'000	£'000	£'000		£'000	£'000
Rents	(20,796)	(21,300)	(504)	<ul style="list-style-type: none"> • 2.7% Increase in rents (1.7% CPI +1%) for 52 weeks, noting 2024/25 was a 53 week rent year. 	(20,911)	(18,905)
Voids	405	391	(14)	<ul style="list-style-type: none"> • Increase in line with rental income by offset by a reduction in rental weeks and planned improvements in void turn arounds. 	391	339
Service Charges	(829)	(1,762)	(934)	<ul style="list-style-type: none"> • (£449k) Inflation of 2.7% and increased utility costs recovery • (£484k) Depooled services charges 	(1,162)	(972)
Other (Writes offs / Interest)	(195)	(177)	17	<ul style="list-style-type: none"> • £111k Increase in the contribution to bad debt provision • (£94k) Additional investment income from greater HRA balances than anticipated 	(239)	(482)
Total Income	(21,414)	(22,848)	(1,434)		(21,920)	(20,020)
Expenditure continued	£'000	£'000	£'000		£'000	£'000
Supervision & Management	6,009	6,772	763	<ul style="list-style-type: none"> • £350k Reversal of 24/25 unallocated savings • £223k Pay awards and other adjustments • £220k Increased utility costs pressures from 2024/25 • £172k Increased insurance premiums • £134k Increased computer software and licences • £165k Other (legal /subscription and claims) • (£501k) Budget transfer to Repairs & Maintenance 	7,470	6,403
Repairs & Maintenance	6,613	6,717	104	<ul style="list-style-type: none"> • £640k Increase in establishment for the in house repairs team • £501k Budget transfer from Supervision & Management • £354k New provision of materials and transport costs • (£1,392k) Savings in planned and responsive repairs 	5,546	6,222

Key Areas	Original 2024/25 Budget	Original 2025/26 Budget	Budget Year on Year Variance	Commentary : Budget Variance over £50k	2024/25 FY Forecast as Q3/P7	2023/24 Outturn
Depreciation & Loan Charges	8,074	8,210	136	• Anticipated depreciation charges for 2025/26	8,295	8,205
Rents, rates, taxes & other charges	186	188	2		199	230
Contingency	0	300	300	• Contingency set aside for unforeseen emergencies and to mitigate future housing risk and issues.	0	0
Total Expenditure	20,882	22,187	1,304		21,511	21,061
Net HRA (Surplus)/Deficit	(532)	(662)	(130)		(409)	1,041
HRA Reserve						
HRA Reserve - Balance Brought Forward	(551)	(890)	(339)	• Anticipated brought forward balances. Note this will be subject to containing current risks in 2024/25	(482)	(1,523)
In-Year Net HRA (Surplus)/Deficit	(532)	(662)	(130)	• Anticipated balances carried forward	(409)	1,041
HRA Reserve - Balance Carried Forward	(1,083)	(1,552)	(469)		(891)	(482)

Page 56

Overview – HRA continues to see fiscal improvements with a target reserve of £1.55m budgeted for end of 2025/25 due to a variety of improvement projects noting bringing inhouse the repairs & maintenance service is a significant contributor where in house savings are being utilised to clear backlogs and improve works quality.

Income – Rents and service charges will increase by 2.7%. Key services will be de-pooled from the rents and charged as new service charges from 2025/26 and include Grounds Maintenance, Communal cleaning, Window cleaning, Door Entry Systems, Fire Alarm systems maintenance, Lift, TV Aerials, and Emergency Lighting Tests.

Expenditure – The £1.3m increase reflects a zero based budgeting approach to determine true cost of in-house repairs team, restructure of the Housing Team, investment in IT and focus on income recovery and efficient property management. Note £501k budget has been transferred from Supervision and Management to Repairs and Maintenance to reflect the correct categorisation of costs.

Reserves - The Council has set a minimum recommended level of reserves at £2m and the 2025/26 budget, will increase year end reserves to £1.55m. Whilst this is below the recommended level, the annual budget includes a contingency for unforeseen expenditure and other environmental pressures, reducing the likelihood of utilising reserves balances in year.

HRA CAPITAL PROGRAMME

2025/26 Budget

Actual 2023/24	Housing & Wellbeing Committee Capital	Original Budget 2024/25	Current Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000
4,506	Housing Improvements & Energy Efficiencies	5,901	5,901	5,956	5,956	5,956	5,956	5,956
-	Decarbonisation	-	-	2,730	2,730	2,730	-	-
342	Civica Implementation	579	584	266	-	-	-	-
2,267	Stock Development	6,671	6,141	-	-	-	-	-
-	Sheltered Accommodation	2,000	-	4,600	1,400	-	-	-
7,115	Total Housing & Wellbeing	15,151	12,626	13,552	10,086	8,686	5,956	5,956

Page 57

The £13.5m proposed capital programme currently excludes the Stock Development programme which is under review and will be submitted for Committee approvals once suitable schemes have been identified.

The programme includes a Decarbonisation programme supported by a bid for the Warm Homes Grant (Social Housing Funding Phase 3). If successful, the total cost will be £10.4m, of which £5.2m will be grant funding over 3 years, supplemented by Council borrowing of £3m and re-provisioning £2.2m of the current HRA Housing improvement works programme to this scheme. This will require Committee approval in 2025/26

The sheltered accommodation programme is subject to review and feasibility studies and detailed proposals will be submitted to Committee for approval in due course.

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373

HOUSING AND WELLBEING COMMITTEE

21 November 2024 at 6.00 pm

Present: Councillors Birch (Chair), Butcher (Vice-Chair), Bicknell, Mrs Cooper, Gunner [substituting for English], Haywood, Long, Lury [substituting for Batley], Pendleton, Wiltshire and Yeates

285. APOLOGIES

Apologies for absence were received from Councillors Batley and English.

286. DECLARATIONS OF INTEREST

There were no declarations of interest.

287. MINUTES

The minutes of the Housing and Wellbeing Committee held on 10 September 2024 were approved and signed by the Chair.

288. 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.

289. PUBLIC QUESTION TIME

There were no public questions.

290. RESIDENT ENGAGEMENT STRATEGY 2022-2026 ANNUAL UPDATE

The Chair invited the Resident Engagement Officer to present the report to members. The report provided details of progress against the Resident Engagement Strategy and highlighted many of the engagement opportunities available for residents. The Social Housing Regulation Act that came into effect on 1 April 2024 had introduced additional requirements and strengthened consumer regulation. Feedback had been obtained from residents following the introduction of several in person forums in the District. Many residents had indicated their preference for responding to questionnaires and surveys. Officers had therefore launched a suite of transactional surveys as well as consultation surveys as officers work through their programme of policy and strategy reviews amongst other activities.

The Chair invited members to make comment or ask any questions. It was clarified that the "Tenant Participation Advisory Service" had rebranded to "TPAS".

Housing and Wellbeing Committee - 21.11.24

The Chair thanked the Resident Engagement Officer for her work with residents and for the comprehensive summary of the work undertaken, which would hopefully lead to improvements in resident's homes and communities in the District. In particular the Arun at Home magazine was a fantastic addition, with a comprehensive summary of the regulations that had been introduced.

The Committee noted the contents of the report and the progress against the aims of the strategy.

291. PET POLICY REVIEW

The Group Head Housing, Wellbeing and Communities was invited by the Chair to introduce the report.

The report set out the consultation that had been carried out as part of the review of the Council's Pet's Policy and considering any requirements for change. The Policy highlighted that it was of great interest to residents with 435 responses received during the consultation period. A summary of the key results from the consultation had been provided at paragraph 5. Given the keen interest of both members and residents, and prompted by a member of the Committee, a round table discussion had taken place with members of the Committee to discuss some of the changes they were advocating for. He had also held further discussions with the Neighbourhood Housing Team to understand the implications of those changes and had looked at what other housing providers were doing. As a result key wording had been changed concerning permissions, set out in paragraph 5.7.1 of the report including the principle of not unnecessarily withholding permission. The criteria for decision making had been updated, set out in paragraph 5.7.4 of the report, to assist staff in their decision making and consistency. Both the pet agreement form, appendix 3, and the pet ownership leaflet, appendix 4, had been updated to reflect the changes. The outcome of the discussions with members and staff was that these changes would help to provide consistency to the application of the Policy and reduce the unnecessary work that had impacted the Housing Service.

The recommendation was proposed by Councillor Yeates and seconded by Councillor Pendleton.

The Chair invited questions and comments from members.

During the discussion the following amendments were made to the report, Pet Policy and Pet Ownership on Arun District Council homes leaflet:

- Recommendation paragraph 2.1.1, page 141: Amend "...Pets Policy..." to read "...Pet Policy...".

Pet Policy:

- Paragraph 1.6, page 149: Amend "...pets and..." to read "...pets, and..."
- Paragraphs 4.6.2 and 4.6.3, page 152: Swap the order of both paragraphs , so that they read from most permissive to least permissive

Pet Ownership on Arun District Council homes leaflet, page 164:

- Column one, reorder rows three and four, so that it reads from most permissive to least permissive
- House or bungalow with private garden: Amend column 3 to read “Will give permission”
- Flat or maisonette without a private garden: Amend “masionette” to read “maisonette”; Amend column 2 to read “one dog or one cat”
- Ground floor flat or maisonette with a private garden: Amend “masionette” to read “maisonette”; Amend column 3 to read “Will give permission”
- Pets we do not allow, Bullet point 4, page 165: add chickens

Councillor Yeates agreed to submit further minor amendments and suggestions for ensuring all the wording in the documents was aligned, in respect of the documents being considered, to the Group Head Housing, Wellbeing and Communities who would make the amendments under his authorised delegated powers.

The Group Head Housing, Wellbeing and Communities reassured the Committee that the Policy would not be a sideways route to not permitting pets and was worded to be permissive. The intention of the Policy was to deliver consistent decisions and not unnecessarily withhold permission.

Further comments were made and officers were thanked for the work undertaken to produce the Policy and for it being positively in favour of pet ownership. If residents felt their application had not been considered fairly their ward members would be able to assist. The leaflet was colourful, informative and easy to understand. A member advised that a residential association within their Ward were happy with the introduction of the Policy. It was asked if what the position would be if circumstances had changed, and a tenant wanted to replace their pet? The Group Head Housing, Wellbeing and Communities advised that the general position was that there was implied permission there already.

The Committee

RESOLVED to

2.1.1 Approve the updated Pet Policy.

2.1.2 Give delegated authority to the Group Head of Housing, Wellbeing and Communities to make minor changes to the policy and any amendments necessary to reflect any operational, legislative and regulatory changes.

292. LOCAL AUTHORITY HOUSING FUND

The Housing Options Manager was invited by the Chair to introduce the report. The Council had received a grant of £1,783,052 from the Ministry of Housing Communities and Local Government ringfenced for the acquisition of seven two-bedroom temporary accommodation homes to fulfil the Council's statutory rehoming duties, and three additional properties, consisting of two three-bedroom and one four-bedroom homes, for the Afghan Resettlement Scheme. Approval was sought to proceed with the acquisition of the properties, including the approval of the capital funding required to make up the remaining cost of the grant awarded and a commuted sum contribution of £630,000 towards the cost. The maximum cost officers were seeking from additional funding would be £1,469,600.

The recommendation was proposed by Councillor Bicknell and seconded by Councillor Yeates.

The Chair invited questions and comments from members. Members congratulated officers for the successful funding bid, which would save money for the Council in the long run. Responding to a question regarding the expected length of stay in temporary accommodation before permanent accommodation was provided, the Housing Options Manager explained that the Council worked with other housing associations and confirmed that residents in temporary accommodation were given priority so they spent less time in temporary accommodation. Views were expressed that it could be unsettling to be placed in a nice new house and then be told they were moving on again and another view was expressed that the quicker permanent accommodation was found the quicker they could put their roots down. The Housing Options Manager replied that it was difficult to quantify but considered that if they were temporarily housed for a short time and received their permanent home sooner that was a positive. It was confirmed that if a family had to leave their home due to a flooding incident the Council would provide housing to those affected by a natural disaster.

Clarification was sought as to whether or not the Council was allowed to use funding received from Section 106 monies towards the provision of temporary accommodation. If Section 106 monies were used to fund the project would this result in a reduction in the amount of affordable housing being delivered in the District? The Group Head of Housing Communities and Wellbeing advised that no issues had been raised during the approval process undertaken with the Council's Section 106 and Commuted Sums staff officer concerning the use of Section 106 monies for temporary accommodation. He undertook to clarify the position with the staff involved in the process. In response to a further question asked about the consequences for the Council if it used the money it had been given for affordable housing to provide temporary accommodation resulting in the provision of less affordable homes, the member was advised that officers would look into this matter and would respond would of the meeting. The Housing Options Manager advised that the three Afghan Resettlement Scheme homes would become social housing and part of the Council's housing stock. The Chair agreed with the Group Head of Housing Communities that recommendation c) approves use of £630k affordable housing receipts, if approved would be subject to the Group Head looking into the concerns raised by members regarding the use of Section 106 monies for temporary accommodation and confirming it was lawful.

A member suggested that a member briefing on temporary accommodation process would be welcome. The Group Head Housing, Wellbeing and Communities agreed to take the suggestion for a briefing forward.

The Committee

RESOLVED to

- a) Approve the LAHF award of £1,783,052 to acquire seven additional homes for use as temporary accommodation and three for the Afghan Resettlement Scheme of which £1,771,000 relates to the capital purchase.
- b) Approve the use of HRA borrowing as match funding of a maximum £1,469,600.
- c) Approve use of £630k affordable housing S106 receipts, subject to the Group Head of Housing, Communities and Wellbeing confirming that the use of S106 receipts for temporary accommodation was lawful.
- d) Subject to recommendation (e), approves the acquisition of ten new homes for up to a maximum total cost of £3,870,000 for use as temporary accommodation and for the Afghan Resettlement Scheme and in accordance with the LAHF grant conditions; and
- e) Delegates authority to the Group Head of Finance (Section 151 Officer), in consultation with the Chair of this committee, and the Group Head of Housing, Wellbeing and Communities to provide final written approval of the acquisition subject to the Group Head of Finance being in receipt of a positive financial appraisal.
- f) Notes that an appraisal of the LAHF scheme will be brought to this committee once it is completed and in use.

RECOMMENDS TO THE POLICY AND FINANCE COMMITTEE that it

- g) Recommends to Full Council to include this scheme within the Council's capital programme at a total cost of £3,870,600 with £1,771,000 capital funding from central government grant, £630,000 from Section 106 receipts and £1,469,600 to be funded by the Council through additional borrowing.

293. LOCAL AUTHORITY HOUSING FUND UPDATE

The Chair invited the Housing Options Manager to introduce the report to members. Details were provided of the purchase of three additional three bedroom properties and one additional property for the Afghan Resettlement Scheme in Littlehampton funded from a grant received from the Department of Levelling Up,

Housing and Wellbeing Committee - 21.11.24

housing and Communities. These properties had been purchased and were occupied.

The Chair invited questions and comments from members. The Chair was pleased that the homes had been purchased and were being occupied.

Members noted the update.

294. HOUSING PERFORMANCE KPI'S

The Group Head Housing, Wellbeing and Communities was invited by the Chair to introduce the Quarter 2 housing performance report. He outlined the report advising that seven targets had improved and eight declined with four of these targets remaining in range and performing.

He provided details of the reason that the average re-let times had been impacted during Quarter 2 due to the letting of several units at New Road that had remained empty for a long period of time. A monthly Debt Management Group had been implemented to improve rent collection. The Housing Service was implementing improvements in its own processes in relation to income recovery. Compliance performance remained high with a continued focus on the safety of residents and the requirements of the regulator. Referring to the housing registration numbers, the number of applicants on the new register since had halved since the previous one had closed. However, the number of applications received each week was increasing and was expected to continue over the next few months. He also reported that five properties had been recovered due to fraud.

The Chair invited members to make comments or ask any questions.

- Responding to questions concerning the increase in debt and persistent arrears and the reasons for this, the Group Head Housing, Wellbeing and Communities explained that over the next two weeks the Debt Management Group was undertaking a deep dive into arrears of £500 or more and those tenants in arrears, who have an introductory tenancy and officers were looking into how they could be supported through more frequent contact. A further deep dive would be undertaken of tenants with more significant arrears to see if the Council was able to recover the arrears through direct payments for the housing element of Universal Credit. An issue was that the Service did not have a dedicated income recovery function and advised that the situation was being looked into. Officers would undertake interventions and take action based on the outcome of the investigations to improve the situation once the work had taken place to understand the reasons for the arrears occurring. With regards to persistent arrears, the Service would always look to recover arrears from current tenants rather than write off the arrears after a period of time. There were a range of actions the Council would take including expressing the need for tenants to pay their housing costs as a priority debt. If arrears persisted the Council could take legal action, often resulting in the arrears being paid back over longer period of time. Once the arrears increased to over £500 it took a long time to return to a positive balance.

- In response to a question concerning the increase in void homes during Quarter 2, the figures had been impacted by bringing units back into use that had been empty for a significant length of time. Once a long-term empty unit was brought back into use it would impact the performance figures. The increase in re-let times was due to the reletting of seven units that had been void for a long time.
- Responding to a question asking if officers had an idea of the expected number applicants on the housing register once everyone had re-registered, he it was advised that at this stage it was not possible to make an estimate. However he expected the overall number to be lower than before, as the re-registration process had removed applicants who no longer required housing but had not informed the Council. He advised he would ask the Housing Option Manager to undertake further analysis of the numbers.
- It was asked if officers had an idea of the amount of fraud taking place and what the potential was for getting these properties back? The Fraud Investigation and Enforcement Officer currently had 17 open cases and was assisted by other staff who provided details of instances they became aware of. Officers were congratulated on this essential work and success in bringing the properties back into the housing stock.
- A comment was made that the improvements in emergency and non-emergency repairs performance since the service had been provided in-house and showed this was a good way forward.

The Committee noted the contents of the report.

295. COMPLAINTS PERFORMANCE AND DETERMINATIONS

The Chair invited the Group Head of Housing, Wellbeing and Communities to introduce the report to members. He outlined the report that provided details of the Council's complaints handling performance and determinations during Quarter 2. Performance for Stage 1 complaints had improved from 62% to 72% and for Stage 2 complaints it had declined to 67% down from an all-time high of 97% in Quarter 1. However, both remained within target and were an improvement on the previous year. The decline was because of staff sickness and annual leave with the majority of the decline occurring in August and September. It was explained that Stage 2 complaints had a smaller compliment of staff available to deal with them due to the escalation process. The number of formal complaints received about the repairs service compared to the same period in 2024-2025 had reduced with 42 received this Quarter compared to 71 received compared to the previous year and the number of compliments received had increased. The Council had received five Housing Ombudsman determinations, set out at paragraph 4.2, including one for severe maladministration for which the decision had been fully reviewed by officers to ensure the circumstances did not arise again. Three of the five determinations referred to historical cases, due to the Housing Ombudsman moving to a statutory function and catching up on cases from 2020. The Housing Ombudsman's annual performance report for 2023-2024 was attached at appendix 6 and although maladministration had increased it remained at a similar level to other peer group local housing authorities of the same size.

Housing and Wellbeing Committee - 21.11.24

The Chair invited members to make comments or ask questions. It was asked if there were any further undetermined historical cases? The Group Head of Housing, Wellbeing and Communities advised he was aware of some recent determinations and undertook to liaise with the Business Improvement Manager and would advise members of the current position. He clarified the process when dealing with Stage 1 and Stage 2 complaints and advised that staff involved in a stage 1 complaint could not deal with the complaint if it escalated to stage 2, usually a manager resulting in a smaller pool of staff able to deal with those complaints. He confirmed that other Council staff were able to deal with Stage 2 complaints, such as the Wellbeing and Community Team who had been positive in responding to requests.

The Committee noted the contents of the report and that all orders and recommendations have been compiled with.

296. KEY PERFORMANCE INDICATORS 2022-2026 - QUARTER 2 PERFORMANCE REPORT FOR THE PERIOD 1 APRIL 2024 TO 30 SEPTEMBER 2024

The Chair invited the Group Head of Housing, Wellbeing and Communities to introduce the report to members. During Quarter 2 five of the nine key performance indicators for Quarter 2 had been achieved. Of the four not achieved, one was because no data was available and one because the status would not be known until Quarter 4.

The Chair invited members to make comments or ask any questions.

Members noted the report.

297. VOLUNTARY SECTOR GRANTS 2025-2029

The Chair invited the Leisure & Wellbeing Business Manager to introduce the report to members. The report endorsed the work of the Council's partners; Voluntary Action Arun and Chichester (VAAC), Community Transport Sussex (CTS), Arun Community Transport (ACT), AGE UK West Sussex Brighton & Hove (AUKWSBH) and Citizens Advice (CA). The recommendation before members ensured the organisations have a commitment to the Council for the next four years, allowing each to plan for future years with the knowledge that the grant was in place. The financial summary set out the proposed increases from 2025, and the following three years from 2026-27 to 2028-29 and included the introduction of a consumer price index increase for each organisation.

The proposals included an additional increase for community transport to fund an Arun local development officer to add value to the current services provided. Both the community transport organisations had been working with other transport partners over the last 18 months to improve cohesion between the organisations. The funding provided to VAAC would continue to be used to fund their costs to provide the service. The CA's 2022 collaborative agreement managed by West Sussex County Council (WSCC) includes all West Sussex District and Borough councils and is due to end 31 March 2029 following the agreement of all the councils that the contract was offering

value for money and it would be of benefit to extend the agreement. Following the publication of the report, officers had received confirmation from WSCC that they will extend the agreement, and that Public Health England will send a letter confirming the decision in due course.

He reported that all the organisations were well versed with the Council's vision and officers were working with these key partners to ensure the Council's wellbeing services needed were delivered without duplicating the work. It was noted that the Council's draft Wellbeing Strategy would be considered at the 4 February 2024 Committee meeting. The Group Head of Climate Change had delegated authority to agree the service level agreements (SLAs), which would include future priorities targets, addressing gaps in services and provision, promotion of their activities and promotion of their services. He advised that both he and the Community Wellbeing Manager would receive quarterly updates from the organisations to ensure they were providing quality services for residents.

The recommendations were then proposed by Councillor Cooper and seconded by Councillor Wiltshire.

The Chair invited members to ask questions or make comments. During the discussion a member referred to the Council's significant financial deficit and having been advised that savings needed to be made and asked if it was wise to propose increasing expenditure until 2029. The Leisure & Wellbeing Business Manager advised that following discussion with the Finance Team the intention was for the grants to be in line with the current CA contract, based on a maximum consumer price index increase. Enabling the organisations to preplan and increase their viability and ensuring they had the right resources in place to provide their services. The Community Wellbeing Manager provided details of work undertaken to quantify the effect of not providing the funding to the CA. Residents would still need to be supported through the vital resources the organisation had provided, and it was likely that residents would approach the Council to help them instead, which would have financial and resourcing impacts for the Council. The Council would feel the financial pressure more if it was not supporting those organisations helping the community. The Group Head of Environment and Climate Change confirmed that he had delegated authority to sign off the organisations service level agreements (SLAs) and that the delegated authority was already in place.

During the discussion, comments were made that the report did not articulate what the Council expected the organisations to be delivering. Some members did not feel comfortable to endorse the proposed expenditure for a further four-years without details of what the return would be and whether or not they were providing value for money. The Leisure & Wellbeing Business Manager advised that the Council's expectations would be written into the updated SLAs and provided members with examples. The Community Wellbeing Manager offered to provide members with the guidelines within the current SLAs. In response to members concerns, she assured them that in the SLAs, that there were clauses within the contract that set out the action to be taken if the organisations were not delivering against the SLAs and KPIs. The contracts allowed the Council to break the contract if organisations were not

Housing and Wellbeing Committee - 21.11.24

delivering on their requirements. It was confirmed that the monitoring of the SLAs and KPIs was at the forefront of the quarterly monitoring meetings along with additional visits undertaken throughout the year and monitoring of their partnerships with other organisations. A member advised they found the response reassuring as it was the monitoring that was crucial but still had concerns about predicting future requirements in four-year's time.

Further comments were made that the Council would find it difficult to operate without the organisations providing these essential services.

The Committee discussed approving the grants for a shorter period due to the Council's current financial situation, as it was currently difficult to understand what their requirements will be in five years' time. During the discussion views were expressed that these essential organisations carried out very good work and needed the certainty of knowing in advance what their future funding income would be to enable them to plan their future services. A further view was expressed that the Council would not be able to operate without these organisations providing their services. However, members felt reassured that the contract was flexible to enable the Council to amend the SLAs and KPIs if requirements changed during the life of the contract. The Chair drew attention to the large amount of money that some of these organisations brought into the District from funding received by the Government.

A member referred to the individual funding proposed and asked for the figures to be rounded up for each of the organisations.

The Director of Environment and Communities explained that the grants proposed would enable the voluntary sector to assist The District's most vulnerable residents. Further confirmation was given that SLAs were in place and monitored. Just like any other contract if there was uncertainty over their funding the organisations would find it difficult to plan delivery of their future services. One of the main reasons for giving them grants for a longer period was so they had certainty regarding their future.

Councillor Pendleton proposed an amendment to recommendation 2.1, which was seconded by Councillor Yeates, as follows (deletion shown in ~~strikethrough~~ and **additions shown in bold**). This would enable the current administration to review the organisations performance and to make the decision on future funding.

- 1.1 Endorse the work of all voluntary sector partners and the increases in grants from 2026 as shown in the above table, with an annual CPI increase from 2026 added until the ~~final year 2026-27~~ **year end 31 March 2027**.

Following a vote this amendment was declared NOT CARRIED.

A vote then took place on the original recommendations.

The Committee

RESOLVED

- 1.2 Endorse the work of all voluntary sector partners and the increases in grants from 2026 as shown in the above table, with an annual CPI increase from 2026 added until the year 2028-29.
- 1.3 Note that the Group Head of Environment and Climate Change has delegated authority to agree service level agreements within the organisation.

298. LEISURE CONTRACT EXTENSION 2027 - 2032

The Chair reminded the Committee that Appendix 1 of the report was a restricted document. If the Committee wished to discuss the appendix members will need to pass a resolution for the press and the public to be excluded to this item.

The Chair invited the Environmental Services & Strategy Manager to present the report to members. The report set out a proposal for a 5-year extension to the Leisure Operating Contract with Freedom Leisure from 1 April 2027 to 31 March 2032. Details of the management fee for the duration of the extension period (appendix 1) had been provided as an exempt document due to it being commercially sensitive information.

The key proposals for members to note were set out from paragraph 4.5 of the report. He highlighted the continuation of an enhanced and significant annual management fee for the extension period, providing the Council with cost certainty up until 2032 paid to the Council. The proposals included significant capital investment including major upgrades to both leisure centre gym equipment and an upgrade to the popular 3G pitch and subbase at the Arun Leisure Centre. Freedom Leisure will also build on their success with their highly valued healthy communities programme providing further focus on increasing the leisure activity of unrepresented groups through an additional Community Engagement post. The inclusion of an energy benchmarking clause in the contract extension and whilst this had some financial risk to the Council, it would provide potential benefits allowing Freedom Leisure to renegotiate favourable energy costs with their suppliers. On balance and in consultation with the Council's Group Head of Finance, this was considered a reasonable amendment to the contract and one that would certainly be required if the contract went out to tender on the open market. The proposals had been considered by industry experts the Sports Consultancy who had also worked on the original contract whose comments were summarised at paragraph 4.18, whose view was that the contract would provide a positive offer for the Council that would not be achieved through competitive tendering. This was also the view of officers who had worked hard to foster a positive and proactive relationship with Freedom Leisure to deliver wellbeing opportunities to the community. Despite the number of challenges to the leisure industry in recent years, the partnership between the Council and Freedom Leisure remained strong with Freedom Leisure delivering a number of important and beneficial projects for residents.

Housing and Wellbeing Committee - 21.11.24

The recommendation was proposed by Councillor Bicknell and seconded by Councillor Hayward.

The Chair invited questions and comments from members. A view was expressed that information on the performance of the contract had not been included in the report and that the wellbeing outcomes had not been defined. A comment was made that no capital investment was included for the Windmill Theatre, Littlehampton. The Environmental Services & Strategy Manager replied that a report on Freedom Leisure's trading and performance had been considered by the Committee at its meeting held on 25 January 2024, which had been well received, and key performance indicators were considered quarterly. He appreciated the comments made about the timing of the report and explained it had been necessary due to the timeline required to extend the contract, as otherwise the Council may be required to go out to procurement may not be able to extend the contract. The contract was rigorously monitored and a report on how the contract was performing would be considered by the Committee at its meeting on 4 February 2025. The Leisure Wellbeing and Business Manager, whose role it was to monitor the performance of the contract against the KPIs and specifications, provided further details of the monitoring that took place. He had daily communications with Freedom Leisure with performance data shared at monthly meetings and action taken if it was not positive. A member commented that they had confidence in the service provided by Freedom Leisure and supported the extension of their contract.

The Environmental Services & Strategy Manager responded to a number of comments concerning the Windmill Theatre capital investment, which members considered was an important provision in Littlehampton and should receive investment. He advised that it would be for Freedom Leisure to put forward proposals that made financial sense for them. It was for the Council to put forward a vision and proposal and if Freedom Leisure was asked to revisit it would impact the proposed management fee. It was reasonable to understand why plans had not been put forward to include the Windmill Theatre. However, this did not mean they were not committed to providing the service during the remainder of the contract. Freedom Leisure had worked hard to bring the Windmill Theatre back to use following the fire and any proposals would likely include capital funding in the contract. He advised that if the proposal was taken forward at this stage it would affect the completion of the contract. He suggested that if the contract extension was approved officers would report back to a future Committee meeting with details of proposals for the Windmill Theatre and how this would affect the management fee.

Responding to the answers provided by officers a member would have welcomed higher level monitoring with the results reported to members when considering approving the contract. They also expressed the view that they would be happy for Freedom Leisure to undertake capital investment if that resulted in a lower management fee. The Environmental Services & Strategy Manager advised that officers would be happy to undertake investigations into the available options and report back to the Committee with details of what the capital investment would look like and the implications to the management fee.

A member suggested that in future it may be helpful for the report to set out a range of options for the Committee to consider. The Director of Environment and Communities advised that if the Committee wanted officers to look at different options for the Windmill Theatre, in this case there were more options to available than being funded by Freedom Leisure. She undertook to provide a separate piece of work to look at options for the funding of the Windmill Theatre that would extend wider than Freedom Leisure. This approach was welcomed by members.

Clarification was sought as to whether the report on the Windmill Theatre would be considered by this Committee or the Economy Committee who have discussed the Theatre in the past and would it include broader options. The Director of Environment and Communities advised that the Committee that would consider the report would depend on the types of funding sources found in line with the Council's Constitution.

The Committee:

RESOLVED

Approves a 5-year extension of the Leisure Operating Contract from 1 April 2027 to 31 March 2032 based on the information outlined in this report.

299. OUTSIDE BODIES - FEEDBACK FROM MEMBERS

The Committee received a report from Councillor Long giving an update on the West Sussex County Council Health and Adult Social Care Committee and from Councillor Carol Birch giving an update on the Sussex Police and Crime Panel.

300. WORK PROGRAMME

A discussion took place concerning progress regarding options for the Flaxmean sheltered housing scheme following their approval at a previous Committee meeting during 2021. A member referred to the minutes of the Committee meeting held on 23 November 2024 where members had been advised a member briefing would take place on the feasibility of sheltered housing and asked when the proposals would be considered by this Committee. The Group Head of Housing, Wellbeing and Communities confirmed that a member briefing had taken place earlier this year. He advised that since then the sheltered housing capital budget had been refiled and a further feasibility survey carried out. The briefing outlined a number of options based on a previous feasibility study that had not been progressed and an option to progress was agreed at that briefing. Architects and Technical officers had been instructed to undertake work to deliver the sheltered housing scheme on the basis of the feasibility that related to the remodelling of Flaxmean. Following the Committee will consider a report recommending an option. Since the original feasibility scheme had been produced the costs had increased significantly and the funds that had been made available would not now deliver across the whole of the housing stock. . He confirmed there would be no capital spending during this financial year on Flaxmean whilst the work was being completed. He confirmed that the dates in respect of the feasibility

Housing and Wellbeing Committee - 21.11.24

study undertaken were accurate. He anticipated the feasibility results would be reported back to this Committee during the next financial year.

A further question was asked about the proposals coming forward during the next financial year 2025-26 and if this be to consider work due commence during 2025-26 or the authorisation of an option. The Chair referred to the amount of work that been undertaken in the Housing service since the Group Head of Housing, Wellbeing and Communities had started his role. The Group Head of Housing, Wellbeing and Communities added that, as soon as he was able to after gaining an understanding the original feasibility study, of which some of the information was over two years old, he had informed members of the position.

A member made a statement that she and other members had been trying to focus on sheltered accommodation for a number of years and appreciated that the Group Head of Housing, Wellbeing and Communities was moving forward with sheltered housing. Members wanted this work done and wanted to trust the officer team involved and the timescales. They did not want to be in the same position on a year's time and wanted to be there for their residents.

The Committee noted the Work Programme for 2024-25.

(The meeting concluded at 8.10 pm)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Arun District Council

REPORT TO:	Corporate Support Committee – 6 February 2025
SUBJECT:	Procurement of Human Resources and Payroll System
LEAD OFFICER:	Jackie Follis, Group Head of Organisational Excellence
LEAD MEMBER:	Councillor Francis Oppler, Chair of Corporate Support Committee
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:	
<p>It is essential that the organisation is able to continue to pay staff and members and manage the employment lifecycle so that we can continue to deliver services. As the current Human Resources and Payroll (HRP) system will be end of life in 2026, with no possibility of this being extended, a new system is required.</p>	
DIRECTORATE POLICY CONTEXT:	
<p>The HRP system is a corporate system which is managed within Human Resources, but with close links to Finance to enable efficient management of resource.</p>	
FINANCIAL SUMMARY:	
<p>The detail of this is included in the business case which is attached as an exempt appendix. The public and press are likely to be excluded from the meeting during consideration of the appendix only, as it contains exempt information as defined in paragraph no. 3 of Schedule 12a to the Local Government Act. The project team has carried out substantial research and estimated the ‘reasonable’ cost of a full system. As this is about to go out to tender it is not appropriate for this to be in the public domain until a contract has been awarded</p>	

1. PURPOSE OF REPORT

- 1.1 The current HRP system (SumTotal) will no longer be available from 31 December 2026. This report sets out the background to the procurement of a new system and seeks delegated authority for the S151 Officer to award a new contract, subject to approval of the budget at Full Council.

2. RECOMMENDATIONS

It is recommended that the Corporate Support Committee:

- a. Requests that the Policy and Finance Committee approves the scheme and recommends to Full Council its inclusion in the Council's capital programme; and
- b. Grants authority to the Group Head of Organisational Development to award the contract if bids come within budget, subject to approval of the scheme by Full Council.

3. EXECUTIVE SUMMARY

3.1 The current HRP has been in use for many years with the last upgrade being 16 years ago. The supplier is withdrawing from the market in December 2026 and we have no alternative but to put new arrangements in place for an HRP in order, at the most basic level, to pay staff and members. Whilst this is necessary it will also provide distinct improvements across the organisation and these benefits are set out in section 4 of the report. The Corporate Leadership Team have agreed the business case and its recommendation for approval.

3.2 It is recognised that Local Government reorganisation will raise issues around combining corporate systems, possibly within the lifetime of a new contract. The team has researched HRP systems used in neighbouring authorities. There are many of these with little consistency or sharing between authorities and there are different views on their functionality and effectiveness. At this stage there is no evidence that there would be advantages of a particular system, linked to possible reorganisation, that would influence a procurement decision now, but consideration will be given to the length of contract.

4. DETAIL

4.1 Benefits of a new System

- 4.1.1. The current system is outdated, with very little in the way of development or enhancements from the supplier.
- 4.1.2. Our processes use old technologies and we currently have to combine a number of different systems to deliver individual elements such as recruitment, performance, payroll, reporting and limited self-service. A modern fully integrated solution will streamline all/most of these.
- 4.1.3. A new system will enable better decision making as the current reporting system is difficult and relies technically on the ICT team to produce anything other than basic standard reports. This impacts on our ability to produce timely and reliable information.

- 4.1.4. A new system will provide enhanced integration with the Council's finance system, supporting further automation and improved reporting.
- 4.1.5. The implementation of a new system will require full data cleansing and process mapping is already taking place to ensure that our specification reflects modern working practices. This work will put us in a good position to support whatever organisational change is required as a result of local government reorganisation.
- 4.1.6. Modern systems offer much better self-service that will improve the employee's experience, provide better data needed for managers to manage their staff and with increased automation, enable a small HR team to focus on higher value areas of their work.
- 4.1.7. We must be able to ensure the highest level of data security given the sensitive nature of the information the system will hold. Any new system will be cloud based which will reduce risk and enhance our cyber-security.

4.2 HRP Project

- 4.2.1 The project to replace the system has been broken down into 2 stages:
 - Phase 1 – procurement (up to contract signature) expected to be April/May 2025
 - Phase 2 - implementation and go live, target is April 2026, with June-Sept if necessary. We cannot take the risk of not having a fully tested go live date before the existing system expires, including parallel runs.
- 4.2.2 Phase 1 of the project is fully funded and we are using external project management to support this. To date we have fully explored the market and procurement routes. We will be awarding the contract using a compliant framework, the detail of which is to be decided following receipt and evaluation of tenders. The timing is that we expect to send out tender documentation by the end of the month and to have completed evaluation by the end of February, ready to enter into detailed contract discussions in March 2025 with award of contract early in 2025/26. Due to the tight timescale for implementation, we will need to be able to award the contract as soon as possible and will not be able to wait until after Annual Council and the meetings in the new civic year.
- 4.2.3 Phase 2 – the business case sets out an indicative timetable, which focuses on key elements of the system which we must have in place before the old systems are 'switched off'. Other functionality has been put towards the end of the programme, but it is important that they are mainly completed within the timescale because of the need to transfer existing/older data (if required) to the new system whilst it is still available

4.3 System cost

The detail of this is included in the business case which is attached as an **exempt appendix**. The public and press are likely to be excluded from the meeting during consideration of the **appendix only**, as it contains exempt information as defined in paragraph no. 3 of Schedule 12a to the Local Government Act. The project team has carried out substantial research and estimated the 'reasonable' cost of a full system. As this is about to go out to tender it is not appropriate for this to be in the public domain until a contract has been awarded

5. **CONSULTATION**

Consultation has not been carried out as it is not required

6. **OPTIONS / ALTERNATIVES CONSIDERED**

6.1 A new HRP system must be procured as the existing system is approaching end of life and the decision has been made to go ahead with procurement through a compliant framework agreement.

6.2 Outsource the service to another local authority. As set out in section 3 there is no obvious route forward on this given our research into current provision, complicated by the uncertainties around local government reorganisation. Timescales are relatively tight and it is simply not an option to not have a fully tested new system by the middle of 2026, so we cannot delay the procurement process 'until the dust settles'.

6.3 Some examples of why a supplier may not be suitable are where we have specific needs which must be met. One of the most significant is the ability to process employer level data and interact with our Local Government Pension Scheme administrators. Public sector pension schemes are particularly complex. We also require an HRP which will interact with our existing finance system, in addition a number of suppliers will only provide a full system that includes HR and Finance, not a stand-alone HRP.

7. **COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER**

7.1 The financial implications of this project are included in the exempt appendix.

8. **RISK ASSESSMENT CONSIDERATIONS**

8.1 The business case provides a full risk log. The most significant risk is that of the budget not being approved, thus not being able to procure a new system and therefore not achieve 'go live' within the required timescale. There are risks associated with the implementation phase, but we are confident that these will be mitigated through strong project management.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

9.1 The contract will be procured in accordance with the Council's Contract Standing Orders (CSOs) (part 6.5.2). For contracts of this level of contract value, approval of the budget is required as one is not already in place, and officers also require approval to award the contract if the tender bids received come within budget. No committee decision is required following receipt of tenders and prior to the contract being awarded unless tenders are received in excess of the approved budget.

10. HUMAN RESOURCES IMPACT

10.1 A new HRP system can only impact positively on the ability of the organisation and all of those in it to manage HR processes more efficiently and effectively. This includes HR and payroll staff, managers, finance, staff (through self-service) and members

11. HEALTH & SAFETY IMPACT

No direct impact.

12. PROPERTY & ESTATES IMPACT

No direct impact

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

13.1 Although there are no direct implications for equalities or social value, any modern HRP will allow the organisation to report accurately and consistently on relevant issues to support legal compliance and best practice in employment.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

No direct impact

15. CRIME AND DISORDER REDUCTION IMPACT

No direct impact

16. HUMAN RIGHTS IMPACT

16.1 A new HRP will support improved delivery of all HR and Payroll activities across the organisation for staff, managers and members as described in section 4 of this report, included the ability to report accurately and consistently on staff related matters.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

- 17.1 A new HRP will support improved delivery of all HR and Payroll activities across the organisation for staff, managers and members as described in section 4 of this report, included the ability to report accurately and consistently on FOI and data protection issues.
-

CONTACT OFFICER:

Name: Jackie Follis

Job Title: Group Head of Organisational Excellence

Contact Number: 01903 737580

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 14

Policy and Finance Committee –Work Programme 2024-2025

Policy & Finance Committee	Lead Officer	Date of Meeting	Time	Full Council Meeting Date
<p>Littlehampton Seafront Project – Update</p> <p>Angmering Sports Hub – Update Report</p> <p>The Regeneration of the Regis Centre, Bognor Regis</p> <p>Key Performance Indicators – 2022-2026 – Quarter 4 – End of Year Performance Report</p> <p>Community Capital Projects – Arun Community Fund – Consideration of Bids -Update</p> <p>Arun Vision – Annual Report</p> <p>Budget Process 2025/2026</p> <p>Financial Prospects 2024/25 to 2028/9 - Update</p> <p>Draft Revenue Budget, Housing Revenue Account and Capital Programme Outturn report for 2023/2024</p> <p>Climate Action Work Plan Update</p> <p>Items put forward from Service Committees</p> <p>Outside Bodies – Feedback Reports</p> <p>Work Programme</p>	<p>Rachel Alderson</p> <p>Rachel Alderson</p> <p>Max Whitehand</p> <p>Jackie Follis</p> <p>Karl Roberts</p> <p>Jackie Follis</p> <p>Antony Baden</p> <p>Antony Baden</p> <p>Antony Baden</p> <p>Will Page</p>	<p>9 July 2024</p>	<p>6pm</p>	<p>17 July 2024</p>
<p>Q1 Performance Report for the Key Performance Indicators [KPIs] which form part of the Council's Vision</p> <p>Littlehampton Seafront Project</p> <p>Angmering Sports Hub</p>	<p>Jackie Follis</p> <p>Rachel Alderson Rachel Alderson</p>	<p>24 October 2024</p>	<p>6 pm</p>	<p>6 November 2024</p>

Policy and Finance Committee –Work Programme
2024-2025

<p>Committee Revenue and Capital Budget 2025/26</p> <p>The Council's Revenue and Capital Budgets 2025/26</p> <p>Greater Brighton Economic Board</p> <p>Littlehampton Seafront Project – Update Report</p> <p>Q2 Performance Report for the KPIs</p> <p>Items put forward from Service Committees</p> <p>Budget Recommendations from all Service Committees</p> <p>Special Housing & Wellbeing Committee – 17 December 2024 – Warm Homes Social Housing Fund</p> <p>Corporate Support Committee – 6 February 2025 – HR/Payroll System - Procurement</p> <p>Outside Bodies – Feedback Reports</p> <p>Work Programme</p>	<p>Antony Baden</p> <p align="center">13 February 2025</p> <p>Karl Roberts</p> <p>Rachel Alderson</p> <p>Jackie Follis</p>	<p>6 pm</p>	<p>26 February 2025</p> <p align="center">And</p> <p>19 March 2025</p>
<p>Budget Monitoring report to 31 December 2024- deferred from 13 February</p> <p>Financial Prospects 2024/25 to 2028/20 – Update – deferred from 13 February</p> <p>KPI - Quarter 3 Performance Monitoring Report</p> <p>Climate Action Work Plan Update</p> <p>Items put forward from Service Committees</p> <p>Outside Bodies – Feedback Reports</p>	<p>Antony Baden</p> <p align="center">13 March 2025</p> <p>Jackie Follis</p> <p>Will Page</p>	<p>6pm</p>	<p>19 March 2025</p>

Policy and Finance Committee –Work Programme
2024-2025

Work Programme			
Items put forward from Service Committees		3 April 2025 [ONLY IF NEEDED]	14 May 2025
Outside Bodies – Feedback Reports			