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POLICY AND FINANCE COMMITTEE

9 December 2021 at 6.00 pm

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

Note: The following Councillors were absent from the meeting during consideration of the matters referred to in the following minutes – Councillors Cooper and Gunner - Minute 500 to Minute 504 [Part] and Councillor Walsh – Minute 507 to Minute 515.

500. WELCOME

The Vice-Chair announced that the Chair was delayed on public transport and so she would be Vice-Chair in the Chair until his arrival.

The Chair then welcomed Members and Officers to the meeting of the Policy & Finance Committee.

501. APOLOGIES FOR ABSENCE

No Apologies for Absence had been received.

502. DECLARATIONS OF INTEREST

Councillor Dixon declared a Personal Interest in Agenda Item 4 [Urgent Items – Levelling Up Fund Projects] in his capacity as a Member of the Bognor Regis Civic Society.

503. MINUTES

The minutes from the meeting of the Committee held on 14 October 2021 were approved by the Committee as a correct record and it was confirmed that these would be signed by the Chair at the conclusion of the meeting.

504. URGENT ITEMS - LEVELLING-UP FUND PROJECTS

The Chair confirmed that there was one urgent item for the Committee to consider which was a report on Levelling-Up Fund Projects. This report had been emailed to Councillors late in the afternoon and uploaded to the Committee's web pages as a supplement, prior to the meeting.

The Chair confirmed that she would adjourn the meeting for a period of ten minutes to provide Councillors with the opportunity to read the report.

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The meeting then resumed with Councillor Gunner being present and chairing the meeting.

The Chair introduced this item outlining that with the award of the Levelling-Up Grant there was a Government requirement that the schemes be completed by March 2024. To maintain this programme, it was vital for the Council to progress these projects as quickly as possible and to put into place the relevant resources. This was why this report was being presented as urgent so that recommendations could be forwarded to Full Council on 12 January 2022 for approval.

The Chair then invited the Principal Landscape & Project Officer to present the report. She introduced the report explaining it had been compiled following the very welcoming news that the Council had been successful in its bid for the Levelling-Up Fund totalling a sum of £19,424,597 to fund improvements to the Alexandra Theatre, in Bognor Regis and the public realm along Littlehampton seafront. It was explained that this was the very starting point for both projects and that the first step that the Council needed to take was to ensure that the resources and the project teams were in place to deliver the projects.

The report sought approval to formally accept the grant offer; enter into a funding agreement; and draw down the funding award. The report also sought approval for the heads of terms for the procurement of consultants to progress the projects forward.

The Principal Landscape & Project Officer then worked through other aspects of the report explaining the background surrounding the bid, its submission and grant award; and the scope of the projects. It was important to emphasise that looking at the scope of the overall project, it was clear that it contained service areas that would normally be reported into several different Service Committees. Paragraph 3.1.3 of the Council's Constitution at Part 3 – Responsibilities for Functions read that "Where a function did not clearly fall within the remit of one particular Service Committee, the Policy & Finance Committee would direct which Committee would deal with the function or deal with the matter itself". Due to the different projects and the importance of maintaining the tight programme, it would be impossible to manage dissecting this project and working to different Committee deadlines in place. It was therefore being recommended to Full Council that it would be this Committee that would be responsible for overseeing all aspects of the Levelling-Up Fund project.

The expertise of external resources was needed to progress the design and deliver the projects. The tendering process planned for the appointment of consultants would be on the basis of the RIBA Works Stages 0-7 which was the definitive model for the design and construction process of a project. Due to the scale of the professional fees, tenders for consultants would be invited either through a framework or the Find a Tender Service. Submissions would be evaluated on both price and quality.

Due to the tight delivery programme, which was a Government requirement, it was outlined that in order to maintain this programme it was vital to progress the projects as quickly as possible and to be able to put into place the relevant resources. A further report on this was on the agenda for this meeting and it was explained that reports providing further detail for each project would be presented to future meetings of the Committee.

Finally, there was the need to comply with a range of terms and conditions and so the Council needed to enter into an agreement with the funding body to be able to access the funding with payments being made six months in advance commencing in February 2022. The Heads of Terms for both projects had been set out in the report for the procurement of the consultants, listing the scope, duration of contract and the form of contract for each of the projects.

It was proposed that the Council accepted the grant offer of £19,424,597 and approval be given to enter into the agreement, subject to scrutiny of the Memorandum of Understanding's Terms and Conditions by Legal Services in consultation with the Monitoring Officer. The virements that the Council would need to account for during the delivery of the projects were highlighted.

The Chair invited questions. The Committee welcomed the report confirming that it was delighted that the Council had been awarded this sum with the Government recognising the importance of both projects by awarding the full project sum for their delivery. It was accepted that this would be one of the biggest projects that the Council would be responsible for managing for many years and since the development of the Wave Leisure Centre in terms of capital expenditure. The two projects, spreading across both Towns would have significant regenerative effects for both Towns. Questions were asked about the scope of both projects and whether the lists set out under the project scope of the report was exhaustive, and whether other elements could be factored in. It was explained that this could be a possibility as and when Officers approached working on the designing stage with consultants. The Principal Landscape & Project Officer also stated that the scope set out in the report was broad and summarised what had been included in the bid. As project teams would work through the respective projects there would be engagement with stakeholders to work out the various details required to deliver those projects and invariably other things could be put forward and as long as they met the scope then they would be looked at. Various further questions were asked by Members.

Following further discussion, the Chair also confirmed that with match-funding he was constantly liaising with other bodies to see if additional funding for further works in Littlehampton and Bognor Regis could be confirmed, there was nothing to announce to date.

Councillor Oppler outlined that he had not received a response to two questions he had asked about the Regis Centre roof and the need for a community hall. The Director of Services provided assurance that further updates would be provided to future meetings of this Committee on the detail of both projects.

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Following further discussion, Councillor Cooper then proposed the recommendations were seconded by Councillor Pendleton.

The Committee

RESOLVED – That

- (1) The Heads of Terms of the consultant procurement process be approved as set out in the report for the Alexandra Theatre and Littlehampton Seafront and riverside project, subject to Full Council approval of Recommendation (3);
- (2) The budget virement shown at Paragraph 2.2 of the report in the Proposals Section totalling £19,424,597 be approved to allow the Council to account for the grant award and associated spending, subject to Full Council approval of Recommendation (3).

The Committee

RECOMMEND TO FULL COUNCIL – That

- (3) The Levelling Up Fund grant award of £19,42,597 be accepted for improvements to the Alexandra Theatre, Bognor Regis and the public realm at Littlehampton seafront and riverside;
- (4) Approved authority to enter into a Memorandum of Understanding/funding agreement with Central Government and approve the drawdown and expenditure of external funding and that the terms and conditions of the Memorandum of Understanding/funding agreement are to be reviewed and agreed by Legal Services in consultation with the Monitoring Officer;
- (5) As per Part 4 – Officers Scheme of Delegation (4.3 to 4.7 refers) and under Part 7 of the Council's Constitution, delegate authority to the Director of Place and Director of Services to plan, drawdown as well as make budgetary decisions on the expenditure of external spending of Levelling Up Funds in accordance with the terms and conditions and in consultation with the Chair of the Policy and Finance Committee and Section 151 Officer; and
- (6) Give authority for the Policy and Finance Committee to manage and lead on the Levelling-Up Fund as part of its named key plan objectives and strategies.

505. CHANGE TO THE ORDER OF THE AGENDA

A request was made by Councillor Walsh to change the order of the agenda to receive Item 9 [Levelling-Up Fund Delivery Support] now as this tied in significantly with the previous item.

This request was agreed by the Committee.

506. LEVELLING UP FUND DELIVERY SUPPORT

The Chair invited the Interim Group Head of Corporate Support and Section 151 Officer to present this report. She explained that this item surrounded the project management resources that were required to deliver the Levelling-Up Fund bid discussed at the last item by the Committee.

In discussing the report, the Committee acknowledged that it had no alternative other than to accept the recommendations to appoint the temporary staff that were required to resource the delivery of the projects.

Having had the recommendations in the report proposed by Councillor Cooper and seconded by Councillor Pendleton, the Committee

RESOLVED – That

(1) The virement of up to £55,000 from corporate underspend in 2021/22 be used to fund temporary staff to enable the delivery of the successful Levelling Up fund bid in 2021/22; and

(2) Budget provision is made from 2022/23 for these posts until completion of the projects.

507. PUBLIC QUESTION TIME

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

508. MODERN SLAVERY POLICY STATEMENT

The Chair invited the Council's Safeguarding Officer to present this report. She outlined that the report had provided detail with regard to modern slavery and the Council's duties. This report had been prepared in advance of an imminent amendment to the Modern Slavery Act 2015 requiring local authorities to publish a 'Transparency in Supply Chains' Policy Statement, to prevent exploitation in procurement supply chains.

The report aimed to assist Managers to identify and mitigate any known risks and to ensure that any new contracts complied fully with the new duties.

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The Committee, in discussing the report, was interested to learn what checks and balances were in place prior to contracts commencing with the Council and what type of activities would be put into place to ensure contracts when procured had detailed the necessary tests to ensure compliance with the amended Act. It was explained that the new requirements stipulated that it was necessary for the Council to upload an annual statement of compliance to the home office registry. Training would be offered giving best guidance to current contractors setting out robustly other factors that would be held to account. It was recognised that there were some industries that had a higher likelihood of exploitation and so the Council would be working with its providers to ensure that all necessary checks would be actioned.

This would be assisted by providing training to Officers managing those type of contracts to ensure that the relevant questions to potential suppliers, starting with the larger contracts, would take place.

Concerns were raised as over the high levels of horticultural industry in the District which was often where exploitation could take place. Would the Council proactively inspect some of those premises to ensure compliance or was this a responsibility for the police? It was explained that this was a police function to ensure the safeguarding and welfare was actioned, however, the Council would ensure that the businesses it was contracted with would undergo the required checks with the Council looking at the services it held contracts with to ensure that close working with partner agencies continued and the required checks were undertaken. The Group Head of Wellbeing outlined that through training staff and in undertaking the necessary site visit checks, Officers would be able to report back anything that was of concern.

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

The Committee

RESOLVED - That

- (1) The Arun District Council's Transparency in Supply Chains (TISC) Policy Statement be adopted;
- (2) The Corporate Support Committee be requested to review the Council's Procurement Policy to ensure that supply chain transparency is given appropriate consideration in the purchasing of goods and services;
- (3) A break clause is required in contracts where Modern Slavery and Trafficking is identified and no remedial action is taken;
- (4) A procurement threshold of £100,000 is supported for suppliers to evidence compliance with the Modern Slavery Act 2015; and

- (5) Support is given to training in the principles of due diligence to mitigate any risk of exploitation in supply chains for front line officers and Officers involved in the procurement of goods and services.

509. BUSINESS RATES POOLING

The Chair invited the Interim Group Head of Corporate Support and Section 151 Officer to present this report. She explained the principles behind business rate pooling in that West Sussex would be better off by keeping some of the levy that would have otherwise been returned to Central Government. The West Sussex Business Rate Pool had been discontinued last year due to the financial risks to all of the pool members arising from Covid-19. An invitation had been received from the Department of Levelling-Up, Housing and Communities (DLUHC) to reintroduce a pool for 2022/23. The Committee was therefore being asked to agree to the Council participating in a business rate pool in West Sussex with effect from 1 April 2022 and to grant delegated authority for the Interim Group Head of Corporate Support, in consultation with the Chair of the Policy & Finance Committee, to agree the terms of a business rate pool for West Sussex for 2022/23.

Following some discussion and having had the recommendations in the report proposed by Councillor Roberts and seconded by Councillor Stanley,

The Committee

RESOLVED - That

- (1) Agreement be given to the Council participating in a business rates pool in West Sussex with effect from 1 April 2022; and
- (2) Delegated authority be granted to the Interim Group Head of Corporate Support, in consultation with the Chair of the Policy & Finance Committee to agree the terms of a business rate pool for West Sussex for 2022/23.

510. BUDGET MONITORING REPORT TO 30 SEPTEMBER 2021

The Chair invited the Interim Group Head of Corporate Support and Section 151 Officer to present the Budget Monitoring Report to 30 September 2021.

Members were requested to consider the financial position of the Council as set out in appendix 1 to the report. The report detailed a current General Fund underspend at Quarter 2 of £657k. The main variations had been set out in Table 2.2 resulting in an anticipated outturn General Fund of approximately £7.6m provided conditions continued. The risk in relation to Covid-19 continued to add uncertainty to the forecast. In terms of capital there had been significant slippage in the programme which was being reviewed with a view to deliverability in the current year.

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A range of questions were asked by the Committee, which have been set out below:

- Looking at the Bognor Regis Arcade, was the Council likely to recoup the rent arrears mentioned in the report? It was confirmed that this level of detail was not available to provide an answer to the meeting and so a written response would be circulated to the Committee, following the meeting.
- Concern was expressed that £35k had been spent on undertaking an update review on the Trisanto property company. It was explained that this had been a review of the business case to see if it should be resurrected or not. It was confirmed that the cost of this review was substantially less than that sum.

Having had the recommendation proposed by Councillor Stanley and seconded by Councillor Cooper,

The Committee

RESOLVED – That

- (1) Any specific project related General Fund revenue underspend continues to be transferred to earmarked reserves as per previous policy to allow projects to be completed;
- (2) The Housing Revenue Account repairs and maintenance (Planned and Responsive) budget be closely monitored to ensure that any necessary corrective action is taken if required; and
- (3) The Capital, Asset Management and Projects programme be reviewed to determine future projections and deliverability of current projects.

511. CORPORATE PLAN AND SERVICE DELIVERY PLAN 2018-2022 - QUARTER TWO PERFORMANCE REPORT FOR THE PERIOD 1 JULY 2021 TO 30 SEPTEMBER 2021

In the absence of the Group Head of Policy, the Chair invited the Interim Chief Executive to present this report. He outlined that this was a standard report that was presented to the Committee identifying the key performance indicators that the Council gathered and how they had performed over the last quarter being 1 July to 30 September 2021.

A range of comments and questions were asked by the Committee which have been set out below:

- SDP 1 [Major Applications determined in 13 weeks] – Extension of Time agreements were an issue of concern raised previously at meetings as this SDP showed the Council overachieving this target when in fact it was underachieving due to a constant reliance on Extension of Time agreements (EOTA). Three paragraphs from the Hannaby Review of the Council's Planning Service were read to the Committee to remind Members of what the review had identified. How was the Council going to address this matter? The Director of Place responded referring to the commentary in the report demonstrating what the position was without the use of (EOTAs) and with them. This showed that the Council was being as transparent as it could in terms of how this had an impact on its performance indicators. The Group Head of Planning was working through an exercise looking at why they had and were being used and had given further instructions to the planning team to ensure that (EOTAs) would only be used when necessary. The Director of Place explained the circumstances for their use which had been down to a significant increase in the overall workload in terms of a major increase in the number of planning applications submitted coupled with ongoing staffing issues. This matter had also been discussed by the Planning Committee at briefings held to discuss the recommendations contained in the Hannaby review.
- Concerns were still expressed as the indicators SDP1 and SDP3 still confirmed an overachievement of target which was not accurately being reported. The Director of Place confirmed that indicator was being reported exactly as the Government required. Further explanation was provided setting out examples for when it was necessary to use (EOTAs).

The Chair asked for further clarification as to when the Council would see a reduction in using (EOTAs). It was explained that this was down to a range of factors that had already been identified. The Chair stated that a date to achieve reducing the use of (EOTAs) needed to be set.

- SDP5 [Occupied Retail Units in Bognor Regis] – it was pleasing to see this performing so well at 95% and that Bognor Regis was comparing favourably with other Towns. The changing nature of the high street was acknowledged in that it was becoming ever increasingly important for social activities with a gradual move away from retail.
- CP10 [Total Rateable Business Value for the Arun District] looking at the Saltbox development – what else was there in the pipeline that could assist this figure? The Director of Place explained that this indicator was more of a health check and helped to provide a sense of what was the economy as a whole in the Arun area. There were other employment areas within the broader Bognor Regis area and the Council continued to work with landowners to bring these forward to allow for more Saltbox types of development in the future. It was confirmed that there were still some areas of land on this development to bring forward.

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- CP11 [Household Waste sent for refuse, recycling and composting] referring to the green waste issues experienced earlier in the year, was a compensation scheme planned to compensate for the lack of service delivered? The Director of Services confirmed that this service was fully back on track and that the entire waste collection service was running well. The only risk to date was the risk of Covid-19, with Biffa having combated the driver shortages of earlier. Biffa had placed an invitation on the website for individuals to contact them to discuss concerns over the green waste issues experienced. There was no global compensation scheme on offer, however, Biffa was proposing some green initiatives that would be of benefit to the community as a form of compensation. The Chair confirmed that he had attended several meetings with Biffa and had strongly made his views known on the points raised. He was looking forward to seeing the initiatives that would shortly come forward.
- CP7 [Homelessness applications where homelessness is prevented], CP8 [Number of new council homes built or purchased per annum] and SDP 18 [Cost of emergency accommodation per annum] issues surrounding these indicators were raised in terms of vulnerable housing situations and the situation now that evictions by landlords were no longer banned out of lockdown. Following recent Government announcements around Covid-19, what forward planning was in place to deal with this situation and how could the Council improve the situation? The Director Place reminded the Committee at how effectively the Council had dealt with homelessness during the pandemic, reacting very quickly to Government stipulations. In terms of forward planning, the situation could worsen, and the Council would plans in place to mitigate this. The Council had a good supply chain of social houses purchased; it had a range of commercial deals in place to tackle the cost of emergency accommodation. The Council continued to work well with the homeless and the number of those sleeping on the streets was very low. Work would continue with the voluntary sector and funding was dedicated to this as this was a massive priority for the Council.

The Chair raised a concern over CP11 [Household Waste sent for refuse, recycling and composting] which was not achieving its target. He asked what interventions were in place to improve it. The Director of Place reported the successful outcome of the Food Waste Trial and confirmed that a report would be submitted to the next meeting of the Environment Committee on 20 January 2022 to update Members on the results of the trial.

As this was an update report there were no recommendations for the Committee to consider.

512. RESIDENTS' SATISFACTION SURVEY 2021

In the absence of the Group Head of Policy, the Chair invited the Interim Chief Executive to present this report. He confirmed that the Council did undertake a residents satisfaction survey annually and this was treated as a key tool for the Council to use in assessing the effectiveness of the services that it provided. The Interim Chief Executive confirmed that it was an aim for the Council to steer towards achieving private sector excellence in terms of service delivery and this was a key tool used to achieve this as the results of the survey would inform service development over the next twelve months. Plans were already underway looking at how next year's survey would be delivered to include methods to increase returns.

The Interim Chief Executive highlighted that the survey returns for 2020 had shown a significant upturn in terms of improvement of services with the survey being viewed very positively despite the challenges of the pandemic. The results for this year had shown a return to pre-pandemic levels and so this provided the Council with an opportunity to strive to return to achieving the same satisfaction levels shown for 2020. It was pleasing to see how this reflected the excellent performance of the Council's staff during lockdown and in meeting the challenges of the pandemic.

The Committee in discussing the survey results for 2020 felt that in terms of distribution, this had not been representative of the whole District as the western side of the District had been under-represented with the eastern side being over-represented. This could have affected the results shown, it was felt that the results of this year's survey were a far more accurate representation. Concerns raised were over the cleanliness of residential roads which were often littered due to seagulls splitting open refuse sacks. Was there a way this could be addressed? The Director of Services acknowledged that this was a big issue and as the Council still collected its refuse using black sacks which sat on streets on collection day. This would be a matter for negotiation when the Council retendered its waste contract.

Another issue raised was that of communication and how the Council listened and communicated externally. It was felt that there was a significant difference in satisfaction between non homeowners and homeowners and why this could be?

The Interim Chief Executive responded agreeing with these points made. He outlined that the Council needed to work very hard to ensure it achieved a positive perception of what it did. This would be a key issue that it would focus on over the coming months. The Director of Services acknowledged that many areas in the District were deprived areas facing many challenges and this was why satisfaction was lower as this correlated around social housing and the rented sector. There was a lot of work for the Council to tackle on wellbeing issues to address in adopting a new Council Vision.

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The Chair alerted Members to an issue of concern in the survey results which confirmed that 41 per cent of people were using or dealing with drugs in the area that they lived. This was a disturbingly high number and he hoped that the Housing & Wellbeing Committee could add this as an item for its Work Programme to address in the future as this was not acceptable.

As this was an update report there were no recommendations for the Committee to consider.

513. ENVIRONMENT COMMITTEE - 17 NOVEMBER 2021

The Chair confirmed that the Minutes from the Environment Committee held on 17 November 2021 were being presented to this Committee as there were recommendations for it to consider. The Chair explained that these recommendations had evolved from the budget consultation exercise that was agreed by this Committee on 1 September 2021. The timeline for the decision making process in respect of these recommendations was:

20 January 2022 - The recommendations referred to three service bids (as set out in the minutes) and would be included in the Environment Committee's proposed Budget for 2022/23, which would be discussed by that Committee on 20 January 2022.

10 February 2022 - All Service Committees would consider their draft budgets in the same way. Each of the Service Committee's budgets would then be presented and considered by this Committee on 10 February 2022 when it would consider the Full Council Budget.

23 February 2022 - The Budget for 2022/23 would then be recommended onto the Special Meeting of the Council on 23 February 2022.

The recommendations from the Environment Committee therefore stood deferred in light of the procedure set out above.

514. OUTSIDE BODIES

There were no feedback reports from Outside bodies to present to this meeting

515. WORK PROGRAMME

The Committee received an updated version of its Work Programme covering the remainder of the Municipal Year.

The Committee Services Manager outlined that the work programme would be updated further to include regular updates and reports on the Levelling-Up Fund projects, as discussed earlier.

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

(The meeting concluded at 7.46 pm)

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