

Minutes of the meeting of the **Council** held in Committee Rooms - East Pallant House on Tuesday 26 January 2016 at 2.30 pm

Members Present: Mr N Thomas (Chairman), Mrs C Apel, Mr R Barrow, Mr P Budge, Mr J Connor, Mr M Cullen, Mr I Curbishley, Mr A Dignum, Mrs P Dignum, Mrs J Duncton, Mr J F Elliott, Mr B Finch, Mr N Galloway, Mrs N Graves, Mr M Hall, Mrs E Hamilton (Vice-Chairman), Mrs P Hardwick, Mr R Hayes, Mr G Hicks, Mr L Hixson, Mr F Hobbs, Mr P Jarvis, Mrs G Keegan, Mrs J Kilby, Mrs D Knightley, Mrs E Lintill, Mr S Lloyd-Williams, Mr L Macey, Mr G McAra, Mr S Morley, Caroline Neville, Mr S Oakley, Mrs P Plant, Mr R Plowman, Mr H Potter, Mrs C Purnell, Mr J Ransley, Mr A Shaxson, Mrs J Tassell, Mrs S Taylor, Mrs P Tull, Mr D Wakeham and Mrs S Westacott

Members not present: Mr G Barrett, Mr T Dempster, Mr M Dunn, Mr J W Elliott and Mr J Ridd

Officers present all items: Mrs D Shepherd (Chief Executive), Mr P E Over (Executive Director), Mr S Carvell (Executive Director), Mr J Ward (Head of Finance and Governance Services) and Mr P Coleman (Member Services Manager)

69 Minutes

RESOLVED

That the minutes of the meeting of the Council held on Tuesday, 15 December 2015, be signed as a correct record.

70 Urgent Items

There were no urgent items for consideration at this meeting.

71 Declarations of Interests

Mrs Shepherd and Mr Ward each declared a personal and prejudicial interest as a statutory officer in agenda item 10 (Disciplinary Action Against Statutory Officers: The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015). They withdrew to the public seating area while that item was discussed and took no part in the discussion.

72 Chairman's announcements

The Chairman announced that he and the Vice-Chairman had represented the Council at a large number of carol services. However, he wished to highlight the role of the 42 staff of the Council's Careline Service, under its manager, Mrs Brenda Jackson. Over the period 24 December to 4 January, Careline had responded to about 16,000 buzzer calls for help, had made 435 calls for ambulances, had dealt with 305 smoke detector calls arising from burnt Christmas dinners, of which 14 had resulted in attendance by the Fire and Rescue Service, and dealt with a number of other calls. He asked the Council to thank the staff of this excellent service.

73 Public Question Time

Two questions about the improvement of the A27 were asked by Mr Roland Higgins and by Mr Christopher Page and answered by Mr Tony Dignum (Leader of the Council) as follows:-

Question by Mr Roland Higgins

Given that the various proposals for the A27 Chichester Bypass improvement excite differing reactions in people, depending on whether they live to the north or to the south of the city, what assurance can the Council give the public that their ultimate joint preference will be guided by the best interests of Chichester as a whole and not by what as individual Councillors they conceive to be their own local interest.

Answer by Mr Dignum

Thank you for the question. I spoke on this matter at the last meeting and said; "I fully expect the choice of option recommended by the district council, to be made by the full council after a debate." The question now asks for reassurance as to the outcome of a process that has not yet commenced with detail that is not yet available. The public consultation exercise is not due to commence until this spring.

Nevertheless, what I can say is that in balancing the relevant considerations, no doubt Members of Council will have regard to local, district and even wider issues before coming to their own view. You may be reassured that the purpose of local democracy is that all considerations are taken into account and competing interests are balanced in order to achieve the best interests of the district.

Question by Mr Christopher Page

Chichester does not have a by-pass: what we have is a road that takes all our through and local traffic. None of the southern options leaked by Spirit FM changes this. Could I ask that when the members are assessing the options for traffic improvements put forward by Highways England, they will have consulted at least some of those towns and cities that now do have a proper bypass, such as Weymouth, Abingdon, Winchester, Portsmouth, Newbury, and Brighton, and ask whether that any of them would revert to the traffic arrangements before the bypass was constructed?

Answer by Mr Dignum

The district council will be a consultee on the options to be presented by Highways England and will clearly need time to assess the information that is presented. In the absence of such information I would ask you to understand that it is not appropriate for me to indicate what the district council, as consultee, will or will not do.

Your question suggests that options for the improvement of the A27 can be compared to other towns and cities where bypasses have been constructed. No doubt members will be aware of some if not all of the examples quoted. Whilst these historic cases may be of interest, I expect the options for the A27 will be determined on their individual merits having regard to all the relevant considerations. Of course the comparison you suggest of reversion to pre-bypass conditions is not relevant unless Highways England proposes a do nothing option, which seems very unlikely.

A question about the A27 was asked by Cllr Mike Hall on behalf of Mr Nick Reynolds and answered by Mrs Taylor (Cabinet Member for Housing and Planning) as follows:-

Question by Mr Nick Reynolds

CDC are recommending that developer contributions are secured to mitigate the impact of new housebuilding on the existing A27 but acknowledge that this will not in any way improve the existing congestion on this road.

Do CDC consider that the funds from developers are realistically achievable in the knowledge that central government have made it known that such agreements can be renegotiated if the development proves to be non-viable?

Furthermore, what other funding contributions will CDC make to mitigate the current (and future) local traffic congestion on the A27 if Highways England fund only a Northern Bypass, or is this entirely the responsibility of WSCC?

Answer by Mrs Taylor

The Council can only seek developer contributions to mitigate the traffic impacts of new development and not to deal with existing congestion. That is a matter for Highways England.

Securing the funds from developers is realistically achievable. The evidence base for the Local Plan identified the need for improvements and the potential developers of the strategic sites have continued to promote their sites in the knowledge that contributions would be necessary and without objection. Furthermore, the evidence base also included a study that demonstrates the strategic sites are able to afford these contributions. If a developer were to be able to demonstrate that with the required financial contribution a development was unviable then the Council would need to come to a view on whether it was acceptable in principle for the development to go ahead or whether it should be refused due to an unacceptable highway impact – and clearly the view of Highways England would be important in this regard.

If Highways England decide to build a Northern Bypass then the existing road is likely to become the responsibility of West Sussex County Council. In such a scenario, the need for this council to make a financial contribution is not clear to me. It is likely that capacity would be released on the existing A27 making it less likely that mitigation would be required.

74 Review of the Members' Allowances Scheme: Report of the Independent Remuneration Panel

The Council considered the report of the Independent Remuneration Panel (IRP), circulated with agenda for the cabinet meeting held on 5 January 2016.

At the Chairman's invitation, Mr John Pressdee (Chairman of the IRP) introduced himself and the two other members of the Panel, Mr Michael Bevis and Mr John Thompson.

Mr Pressdee explained that the Panel had previously reported in 2003, 2007/08 and 2011, although the composition of the Panel had varied over that period. The Panel members were totally independent of the Council. The Panel's recommendations were summarised in Part 2 and set out in detail in Part 3 of their report. The Council was obliged to take the Panel's report and recommendations into account, but was not obliged to adopt all or any of them.

In making their current recommendations, the Panel had taken into account: that allowances should fairly reflect the time spent and responsibilities of the various roles; the financial positions of the Council and members; comparisons with allowances paid by other authorities; the views of members expressed in questionnaires and interviews; and that there was a strong public service voluntary element in the work of a councillor.

In response to the questionnaire sent out on the Panel's behalf, members had placed emphasis on the allowances paid in other district councils as being a significant factor in determining the allowances to be paid in Chichester. Although every council was different and varied in size and the rates of allowances paid, the Panel had tried to be close to the average.

The Panel had been asked to consider whether the allowances should be index-linked and had concluded that in this time of low inflation the allowances should be fixed until the next review.

They recommended an increase in the Basic Allowance from £4,541 to £4,725. This had to be the same for all members, irrespective of the size of the ward and the member's commitment.

The Special Responsibility Allowances (SRAs) should be paid to the same postholders as now. However, the Panel had carefully considered the differences in time commitment and responsibilities between the various roles. They felt that the role of Cabinet members was significantly greater than the roles of committee chairmen, and their allowances should be rounded up with some uprating for inflation. In the case of committee chairmen, the Panel considered that there were differentials in the workload and responsibilities involved. The Chairman of the Planning Committee presided over about 13 meetings a year, many of which lasted most of the day, in a very public arena where emotions were frequently high. The Panel considered this role demanded a higher time commitment and level of responsibility than the other chairmen. They felt also that the role of the chairman of the Overview and Scrutiny Committee carried more responsibility and time commitment than the chairmen of the Corporate Governance and Audit and Licensing Committees. This was not to demean these committees or their chairmen, but the Panel's recommendations sought to reflect the differential between them. If the Panel's recommendations were accepted, the SRA's would move as follows in comparison to other councils in South East England, and in all cases would exceed the mean:

Planning from 25th to 6th equal out of 46
Overview & Scrutiny from 15th to 10th out of 44
Corporate Governance & Audit from 4th to 8th out of 40
Licensing from 6th to 8th out of 41

The Panel had also recommended changes to other SRA's and some clarification of and additions to the official duties for which travelling allowances should be payable.

The Panel considered that their report offered a fair deal for both members and council taxpayers, for a modest budget increase of about £11,000.

Finally, the Panel wished to thank the officers, especially Philip Coleman and John Ward, who had assisted them.

Mr Oakley asked the Panel whether they had considered the payment of SRAs to members of the Planning Committee. Mr Pressdee answered that the present scheme provided SRAs only for chairmen, who bore significant additional responsibility compared with committee members. This could be re-considered at a subsequent review.

Mr Dignum, seconded by Mrs Taylor, moved the recommendation of the Cabinet that the Council receives and considers the report of the Independent Remuneration Panel and makes decisions on its recommendations, and in particular reviews the Panel's recommendations in respect of Special Responsibility Allowances for the Deputy Leader of the Council and the Chairman of the Corporate Governance and Audit Committee.

Mr Dignum explained that, taken as a whole, he believed the Panel's recommendations were acceptable to members. However, there were clear concerns that the recommendations did not sufficiently recognise the responsibilities of the Deputy Leader beyond those of other Cabinet members, and, whilst the addition to the SRA of the chairman of the Planning Committee was wholly justified, it was very difficult to rank differences in responsibility between the other three committee chairmen. Having consulted these committee chairmen, he proposed, with their agreement, that all three should receive the same allowance. He, therefore, had placed before the Council a proposal that the Independent Remuneration Panel be thanked for their impartial and well-constructed report, and that all the recommendations of the Panel be approved with the following five exceptions:-

- (1) That the proposed allowance for the Deputy Leader be amended to £7,700 from £7,200
- (2) That the proposed allowance for the Chairman of Overview & Scrutiny be amended to £4,800 from £5,500
- (3) That the proposed allowance for the Chairman of Corporate Governance & Audit be amended to £4,800 from £4,000
- (4) That the proposed allowance for the Chairman of Licensing Committees be amended to £4,800 from £4,000
- (5) That the £300 per meeting allowance paid to Licensing Sub-Committee members for in excess of 5 meetings be scrapped.

Mr Ransley, seconded by Mr McAra, moved an amendment that the recommendations of the Panel be approved, and that the words "with the following five exceptions" onwards be deleted.

After debate, Mr Ransley's amendment was put to a vote and lost.

Mr Plowman moved an amendment that, additionally, a Special Responsibility Allowance of £300 per meeting in excess of five meetings a year be paid to members of the Planning Committee. His amendment was not seconded.

The Leader's proposal was then put to a vote and carried.

RESOLVED

- (1) That the Independent Remuneration Panel be thanked for their impartial and well-constructed report.
- (2) That all the recommendations of the Panel be approved with the following five exceptions:-

- (a) That the special responsibility allowance for the Deputy Leader be amended to £7,700 from the proposed £7,200.
- (b) That the special responsibility allowance for the Chairman of the Overview & Scrutiny Committee be amended to £4,800 from the proposed £5,500.
- (c) That the special responsibility allowance for the Chairman of the Corporate Governance & Audit Committee be amended to £4,800 from the proposed £4,000.
- (d) That the special responsibility allowance for the Chairman of the Licensing Committees be amended to £4,800 from the proposed £4,000.
- (e) That the £300 per meeting special responsibility allowance paid to Licensing Sub-Committee members for in excess of 5 meetings be scrapped.

75 **Adoption of the Community Infrastructure Levy Charging Schedule**

Mrs Taylor, (Cabinet Member for Housing and Planning), seconded by Mr Dignum, moved the recommendations of the Cabinet.

She explained that the Government had decided that the Community Infrastructure Levy (CIL) was the fairest way for new development to help fund the cost of infrastructure resulting from the cumulative impact of development of the area.

CIL was essentially a non-negotiable tax on the increase in the value of land that occurs when planning permission is granted. The rates to be charged were summarised in paragraph 4.4 of the Cabinet report.

The draft Charging Schedule had been subject to two rounds of formal public consultation and an examination undertaken by an independent examiner from the Planning Inspectorate.

The examiner's role was to consider whether the Council's proposed charging schedule met the requirements of the Planning Act 2008 and associated regulations. He also needed to be satisfied that the proposed rates were consistent with available viability evidence and would not threaten the delivery of planned development in the Local Plan area.

The examiner had supported the rates proposed by the Council and confirmed that the levy was justified and economically viable. This support had been given despite challenge from the development industry claiming that the rates proposed were too high. The levy would apply to residential and retail development outside of the National Park.

Adoption by the Council would mean that, after 1 February 2016, all relevant development would be subject to the levy. This would, in time, provide substantial funds for the Council to allocate to relevant infrastructure provision.

Mrs Taylor proposed an amendment to Cabinet recommendation (1) by the addition of the following words:

"and in the table in the CIL Charging Schedule on page 78 of the Cabinet papers, on the top two lines under the title, after the words residential, the words '*the creation of one dwelling or more*' be added in brackets".

Mrs Taylor concluded by asking that the Council's thanks should be conveyed to Mrs Dower (Principal Planning Policy Officer (Infrastructure Planning)) for successfully seeing this important project through to conclusion.

Members asked for clarification of the proposed additional wording to recommendation (1). On receiving an explanation, members asked that the point should be dealt with more clearly by the addition of a footnote to the table, rather than additional wording in the table itself, and Mrs Taylor agreed to this.

RESOLVED

- (1) That the Community Infrastructure Levy Charging Schedule (attached as Appendix 2 to the Cabinet report) be adopted to take effect from 1 February 2016, incorporating modification EM1 (revised Charging Schedule map showing grid reference numbers) and further minor amendment (deleting B1, B2 and B8 uses so they are captured in the Standard nil charge) and a footnote be added to the table in the CIL Charging Schedule on page 78 of the Cabinet papers, in relation to the top two lines under the title, to the effect that this charge applies to the creation of one or more dwellings. It does not apply to residential institutions (C2), or residential extensions or annexes (under 100 square metres gross internal area) which are for the benefit of the owner/occupier;
- (2) That the CIL Regulation 123 list (attached as Appendix 3 to the Cabinet report) be adopted;
- (3) That the CIL Payment by Instalments Policy (attached as Appendix 4 to the Cabinet report) be adopted.

76 Adoption of the Planning Obligations and Affordable Housing Supplementary Planning Document

Mrs Taylor, (Cabinet Member for Housing and Planning), seconded by Mr Dignum, moved the recommendations of the Cabinet, explaining that the Council had produced a supplementary planning document (SPD) to explain how planning obligations would now be used following the introduction of the Community Infrastructure Levy (CIL). The SPD also set out the Council's approach to securing affordable housing as part of new development. The document would be a material consideration in the determination of applications and appeals, and provide useful guidance for developers preparing planning applications.

The Council had carried out public consultation on the draft SPD in the autumn of 2014. All the representations made on the draft document and a recommended response to them were attached at appendix 1 to the Cabinet report. The document had been amended to take account both of the representations and also of changing circumstances, given the time that had elapsed since the original consultation. These changes were set out at paragraph 3.1 of the report. The revised document was attached at appendix 2 to the report.

The Government was currently consulting on changes to national planning policy. In particular, as paragraph 1.9 made clear, the SPD would need amendment to take account of the Government's policy for Starter Homes in future revisions to the document, which would need to be the subject of public consultation. However, it was necessary to adopt the SPD now so that it had full weight in the determination of planning applications at the time the CIL was implemented, and not delay until the Government had finalised its policy.

Mr Oakley asked what, apart from a review of the Local Plan, would trigger a review of the SPD, in particular what would happen if there were unexpected changes in population or occupancy per dwelling. Mr Allgrove (Planning Policy, Conservation and Design Service Manager) explained that infrastructure needs were calculated on the basis of people per dwelling and if that changed sufficiently to affect requirements the SPD would need to be reviewed. He also confirmed, in answer to a question from Mr Ransley, that neighbourhood plans carried more weight than the SPD.

RESOLVED

- (1) That the proposed responses to representations received during consultation on the draft *Planning Obligations and Affordable Housing Supplementary Planning Document* be approved as set out in appendix 1 to the report;
- (2) That the Planning Obligations and Affordable Housing Supplementary Planning Document be adopted as attached at appendix 2 to the report;
- (3) That The Provision of Service Infrastructure Related to new Development in Chichester District Supplementary Planning Guidance, which was adopted in December 2004 to supplement the Chichester District Local Plan First Review April 1999 be cancelled;
- (4) That the Head of Planning Services be authorised, following consultation with the Cabinet Member for Housing and Planning, to make typographical and other minor amendments prior to publication.

77 Proposed approach for securing development contributions to mitigate additional traffic impacts on A27 Chichester Bypass

Mrs Taylor, (Cabinet Member for Housing and Planning), seconded by Mr Dignum, moved the recommendations of the Cabinet, explaining that the Chichester Local Plan established the principle of seeking developer contributions to mitigate the traffic impacts on the A27 Chichester Bypass that would be generated by the housing development proposed in the Plan. Transport modelling work undertaken to support the Local Plan identified an indicative package of small scale measures for the six junctions on the Bypass. These measures were costed at £12.8 million.

The Council, in partnership with Highways England and West Sussex County Council, had commissioned Jacobs (the consultants that undertook the 2013 Chichester Transport Study) to undertake further traffic modelling work. Their resulting report set out a detailed methodology to calculate contributions from development locations towards the A27 mitigation package.

The proposed methodology apportioned the remaining cost of the A27 mitigation package between the outstanding Local Plan housing developments in direct proportion to the level of traffic impact that each development was expected to have on the Chichester Bypass junctions. Jacobs had used transport modelling to assess the number of morning peak hour trips per day from each proposed Local Plan development that would be expected to use the A27 Chichester Bypass junctions.

The table in the appendix showed the financial contribution calculated for each of the Local Plan housing developments. The locations that were expected to have the greatest traffic impact on the Chichester Bypass junctions would make the biggest contribution. That

meant the Tangmere Strategic Development Location would pay the most, followed by the strategic development at Westhampnett.

It was now considered that the use of S278 agreements provided the most appropriate mechanism for financing development contributions to the A27 improvements. This approach would require site developers to enter into legal agreements directly with Highways England.

This report sought approval to take forward the proposed approach for seeking A27 contributions to public consultation. This would be for a 6-week period following the Council meeting. Subject to the outcome of the consultation, the intention was to incorporate the A27 contributions as an amendment to the Council's Planning Obligations Supplementary Planning Document (SPD) – (which had been adopted in the previous item on this agenda).

If this proposed approach for obtaining developer contributions was adopted, it would generate sufficient funding to address the direct traffic impacts of the housing developments proposed in the Local Plan over the period to 2029. Mrs Taylor emphasised that the contributions raised would not be sufficient in themselves to resolve the underlying traffic problems on the A27. However, the contributions would be used either to fund small scale mitigation measures for the A27 junctions, or to contribute towards the Government funded A27 Chichester improvement scheme which Highways England was currently developing.

In answering members' questions, about the methodology and anticipated challenges from landowners and developers Mr Allgrove emphasised that the legal agreements giving effect to the scheme would be between developers and Highways England, not the Council.

RESOLVED

- (1) That the methodology set out in this report be agreed as the basis for seeking development contributions to mitigate the impact of proposed Local Plan development on the A27 Chichester Bypass junctions or to contribute to a wider A27 improvement scheme;
- (2) That the text in the Appendix be published as a potential modification to the Council's forthcoming Planning Obligations Supplementary Planning Document (SPD), for consultation for a six week period from Friday 29 January to Friday 11 March.

78 Leisure Services Management Contract

Mrs Keegan, (Cabinet Member for Commercial Services), seconded by Mrs Lintill, moved the recommendations of the Cabinet.

She reminded the Council of previous consideration of this matter, leading up to its decision in September 2014 that a procurement exercise be undertaken to test the market for future management of leisure services. The strategic objectives to be achieved were set out in paragraph 4.8 of the Cabinet report.

The procurement exercise was described in paragraphs 4.9 to 4.16 of the report, and had included a competitive dialogue with two short-listed contractors. Both were registered charities operating over a number of leisure services, which provided tax advantages and economies of scale. Currently, Chichester was the only District Council in West Sussex that had not outsourced its leisure centres, and could now benefit from a mature marketplace.

The prices paid by users for core services would be protected under the contract. Regular meetings would take place to manage the relationship between the Council and the contractor and to monitor performance. The existing Task and Finish Group, which included a member of the Overview and Scrutiny Committee, would continue to meet quarterly in the first year of the contract. The Council's staff would be fairly treated and would be employed by the contractor under TUPE regulations, and would have better career prospects. The Council would retain ownership of the leisure centre buildings.

In the current economic climate there were few other opportunities for the Council to save money and keep services at the current level, and the savings on provision of leisure services would help the Council to protect other services. The Cabinet, therefore, recommended the Council to outsource the management of the Leisure Centres and Sports Development Service.

The contractor had proposals for capital works at the Leisure Centres, and there would be a reduction in the management fee if the Council provided the capital. She asked the Council to delegate the decision on whether to pursue this option.

At this point, the Council **RESOLVED** that the public, including the press, be excluded from the meeting for the following item on the grounds that it is likely that there would be a disclosure to the public of 'exempt information' of the description specified in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A to the Local Government Act 1972 and because, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

Mrs Hotchkiss (Head of Commercial Services) then explained the detailed evaluation process applied to the short-listed contractors, and details of the respective bids. She described some of the capital works and explained how current users would be consulted. The Council discussed a proposal to retain in the management contract a right to sell the assets unencumbered, but Mrs Keegan advised that the Council wished to retain the buildings and there were other protections in the agreement enabling termination of the contract.

The meeting was then re-opened to the press and public.

RESOLVED

- (1) That the management of the Leisure Centres and Sports Development Service be outsourced.
- (2) That the Head of Commercial Services be authorised, following consultation with the Cabinet Member for Commercial Services and Head of Finance & Governance Services, to

conclude capital negotiations and agree the principle of funding the capital works as indicated in 4.2, 4.3 and 7.1-7.5 of the Part 2 report.

- (3) That the Task and Finish Group continue in a monitoring role, to meet initially at least quarterly. This will be reviewed 12 months after the contract has commenced and the Overview and Scrutiny Committee may also choose to review performance of the contract after a period of operation and at intervals thereafter.

79 **Disciplinary Action Against Statutory Officers: The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015**

(Mrs Shepherd and Mr Ward withdrew to the public seating area for the duration of this item)

Mr Finch, (Cabinet Member for Support Services), seconded by Mrs Lintill, moved the recommendations of the Cabinet, and reminded the Council of their consideration in July 2015 of the disciplinary procedures relating to the protected officers, i.e. the Head of Paid Service (Chief Executive), Chief Finance Officer (Head of Finance and Governance Services) and Monitoring Officer. The Council had been required by Government Regulations to amend their Standing Orders, so that only the full Council could dismiss any of these officers and before doing so must consider the advice of an Independent Panel, the conclusions of any investigation into the proposed dismissal, and any representations from the relevant officer. The Council was no longer, however, required to follow the independent advice. This replaced the previous procedure whereby the Council was required to agree with the officer on the appointment of a Designated Independent Person and to follow the advice of that person.

However, the Government had failed to consult the officers affected through the national negotiating machinery and, particularly in the case of the chief executives, the previous arrangements were incorporated in their contracts of employment. The Council had, therefore, deferred updating the disciplinary procedure to allow time for national negotiations to be concluded. It was now believed that national negotiations would not be resolved for some time and the Council had now been advised by South East Employers (SEE) to proceed with the introduction of a revised disciplinary procedure.

Having prepared a revised disciplinary procedure, certain consequential amendments to the Constitution were required.

RESOLVED

- (1) That the revised Disciplinary Procedure for the Chief Executive, Head of Finance and Governance and Monitoring Officer be approved.

- (2) That the terms of reference of the Investigation and Disciplinary Committee be revised to read as follows:-

“To consider allegations relating to the conduct or capability of the Chief Executive, the Chief Finance Officer and the Monitoring Officer and to take action in accordance with the Council’s approved Disciplinary procedure for these officers, including negotiation of a settlement agreement and (in the case of the Chief Executive only) suspension and disciplinary action short of dismissal.”

(3) That the following be added to the powers of the Chairman, and in his absence the Vice-Chairman, in Article 5 of Part 2 of the Constitution:-

“The Chairman of the Council has the power to suspend the Chief Executive in an emergency whereby his/her remaining presence at work poses a serious risk to the health and safety of others or the resources, information or reputation of the Council.”

(Mrs Shepherd and Mr Ward returned to their seats)

80 **Public Interest Disclosures (Whistleblowing) Policy**

Mr Finch, (Cabinet Member for Support Services), seconded by Mrs Lintill, moved the recommendations of the Cabinet, explaining that the “Whistleblowing” Policy was reviewed annually to ensure that it remained compliant with legislation and best practice. On this occasion some changes were proposed, mainly to make it clear that the policy could be used by non-employees such as councillors, contractors and members of the public. The policy had been strengthened by the appointment of a Corporate Counter Fraud Officer, who could investigate disclosures. The proposed changes had been recommended by the Corporate Governance and Audit Committee.

Mr Finch added that it was also suggested that the Head of Business Improvement Services should be authorised to approve minor changes to Human Resources policies, after consultation with the Cabinet Member for Support Services.

RESOLVED

(1) That the revised Public Interest Disclosures (Whistleblowing) Policy be approved.

(2) That the Head of Business Improvement Services be authorised to approve future minor changes to Human Resources policies, including those of a legislative nature, after consultation with the Cabinet Member for Support Services.

81 **Treasury Management Strategy 2016-17**

Mrs Hardwick, (Cabinet Member for Finance and Governance), seconded by Mrs Taylor, moved the recommendations of the Cabinet.

She pointed out that this item involved the investment of very large sums of money.

The Corporate Governance and Audit Committee and the Cabinet had reviewed the proposed strategy, in the light of the current economic situation and the Council’s spending plans, with advice from the Accountancy Services Manager.

The Council had no plans to borrow, so its main considerations were the choice of investment vehicles and the selection of counterparties in order to manage the risks associated with the treasury management function.

Since last year the Council had pursued a strategy to try to manage the portfolio in relation to the bail in risk, by increased diversity, reduced maximum investments limits with counterparties depending on their credit rating and whether funds were unsecured or secured investments. This could have some effect on yield, by limiting the unsecured investments, so a higher proportion of funds had been placed with other local authorities (under the Government limit) which tended to realise slightly lower rates of return.

The proposed strategy for 2016/17 had two main changes:

- (1) Extending the permitted periods for investments with high credit rated counterparties in relation to secured investments and specific sector counterparties; and
- (2) The use of the Local Authority Property Fund

One reason for these changes was the depressed interest rates. This meant low estimated returns on the surplus funds available for investment by the Council, which were forecast to be only 0.75% for 2016-17 reducing from the estimated rate of 0.80% for the current financial year 2015-16.

Secondly, to help counteract the bail in risk for unsecured investments, use of an alternative secured investment opportunity given by the local authority property fund would improve the overall expected rate of return. So the strategy for 2016-17, and also as an amendment to the current year's strategy, was to now include the approval to use the local authority property fund up to an investment limit of £10m.

The aim of the 2016-17 strategy was to seek alternative longer term secured investments opportunities, whilst trying to minimise the impact on yield.

All the rules for investments were set out in Table 4 of the Strategy (page 57 of the Cabinet papers) including the maximum time limits for the different credit rating criteria when selecting institutions. The principle applied was that the lower the credit rating, the shorter the period funds could be placed. This table also set out the maximum sums allowed to counterparties. These generally remained unchanged from the current strategy.

A number of members expressed welcome for the move to invest in property. Mrs Belenger (Accountancy Services Manager) answered questions on the operation of the local authority property fund. Mrs Hardwick reported that a Task and Finish Group would start work in March to consider use of the Council's new investment opportunities reserve.

RESOLVED

- (1) That the following be approved:-
 - (a) The Treasury Management Policy and Treasury Management Strategy Statement for 2016-17 as contained in appendix 1 of the report.
 - (b) The Investment Strategy 2016-17 as detailed in the Treasury Management Strategy Statement (appendix 1).
 - (c) The Prudential Indicators and Limits for 2016-17 to 2020-2021 as detailed in appendix 2 of the report.
 - (d) The Minimum Revenue Provision (MRP) Statement contained within appendix 2, which sets out the Council's policy on MRP.
- (2) That the 2015-16 Treasury Management Strategy and Investment Strategy be amended as set out in Appendix 5.
- (3) That the Head of Finance and Governance Services be authorised, following consultation with the Cabinet Member for Finance and Governance, to update paragraph 5 (Economic background) of the Treasury Management Policy and Treasury Management Strategy Statement (Appendix 1) to take account of changed economic circumstances since the Strategy was drafted.

82 Questions to the Executive

Questions to members of the Cabinet and responses given were as follows:

(a) Written Question: A27 Chichester By-pass improvement

Mr Hall and Mr Lloyd-Williams asked what information can the Leader of the Council provide about proposals for the improvement of the A27 Chichester By-pass following his meeting with Highways England on 25 January 2016?

Response:

Mr Dignum (Leader of the Council) replied in writing as set out in the appendix to these minutes.

Mr Hall asked a supplementary question, whether Highways England had disclosed a specific sum they were prepared to spend on the improvement scheme.

Mr Dignum replied that they had not, but he thought they would have a total figure in mind. He added that the meeting had been very disappointing, with only a week's addition to the proposed consultation period and still no clarity when this would start. He understood that work was still taking place on traffic modelling and cost/benefit assessments. However ten public exhibitions had been lined up, and he had asked that exhibitions be held in Selsey and The Witterings also.

(b) Question: Devolution: Three Southern Counties

Mr Oakley asked for an update on the Three Southern Counties (3SC) devolution bid.

Response:

Mr Dignum (Leader of the Council) replied that a small team headed by Mrs Louise Goldsmith, Leader of West Sussex County Council, with the Leaders of East Sussex and Surrey County Councils and of two district council Leaders from each county had been working on the bid. One meeting had been held with Baroness Williams, Parliamentary Under Secretary of State at the Department for Communities and Local Government. Further details of the bid were now being developed for a second meeting with the minister. He expressed a number of concerns about the possible outcome of the negotiations, which he felt would not be concluded for some time, but stated that no council would be compelled to join in.

(c) Question: Start time of Council meetings

Mr Lloyd-Williams asked whether future Council meetings could start earlier than 2.30 pm

Response:

The Chief Executive reminded members that the time of Council meetings had been reviewed on a number of previous occasions, but had always reverted to 2.30 pm. The Chairman added that it had been the case that this meeting had been exceptionally long.

(d) Question: Beach Management

Mr Ransley referred to the urgent decision taken in respect of beach management (minute 83 below) and reminded the Cabinet Member that two year's ago an additional £50,000 had been spent and now a further £250,000 was being added. He asked how long it would be before further supplementary spending would be requested.

Response:

Mr Barrow (Cabinet Member for Environment) replied that the Council had to work within the budget available. However, the additional grant allocated by the Environment Agency enabled the sea defences to be strengthened substantially. However, future storms and sea conditions could not be predicted. Mr Carvell added that a report on the next phase of the Beach Management Plan would be presented to the Cabinet in February.

(e) Question: Chichester Place Plan

Mr Shaxson asked that the Cabinet bear in mind that the Chichester Place Plan, consideration of which had been deferred at their meeting on 5 January 2016 looked like a plan for Chichester City.

Response

Mr Dignum (Leader of the Council) replied that he had not been satisfied with the Plan as presented and had asked for more work to be done. It would be considered by the Cabinet in February, but it should correctly be referred to as the Chichester District Place Plan.

**83 Report of Urgent Decision: Beach Management Plan Contract 2015/16
Additional Funding**

In accordance with the Constitution, the Council noted the following report on an urgent decision.

"In accordance with the Beach Management Plan (BMP) 2014-2016, approved by the Cabinet on 8 July 2014, the Council secured £150,000 from the Environment Agency's (EA) Flood and Coastal Erosion Risk Management Grant in Aid, with £50,000 from the Council's maintenance revenue budget for the 2015/16 BMP works. After a mini-competition under the Portsmouth City Council Framework Agreement for the provision of Coastal Engineering Minor Works (of which the Council is a signatory) Les Searle Plant Hire and Sales Ltd was awarded a contract for shingle recharge at Hillfield Road, Selsey.

"On 4 January 2016, the EA advised that the Council was to be awarded an additional £250,000 grant to be spent before end of March 2016. It was proposed that the additional grant will be used to increase the quantity of shingle at Hillfield Road beach.

"The decision to spend the additional grant is "not in accordance with approved budget" and would normally require a Full Council resolution. In order to enable the works to be undertaken within the grant timescale, an urgent decision has been made by the Head of Service, Louise Rudziak, in consultation with Leader of the Council, Cllr Tony Dignum and the Chairman of the Overview and Scrutiny Committee, Cllr Clare Apel, to approve the spend of the additional grant for this purpose.

“The Council is unable to complete a mini competition for the additional works in the time constraints and it has concluded the most appropriate procurement route is to use a direct call off under the minor works framework. Because the original contract to Les Searle was procured through competitive tender using the framework and demonstrates value for money, and the company is due to start work on site at the beginning of February 2016 for four to five weeks leaving insufficient time of another contractor to undertake the works in the timescale, the contract for the additional works has also been awarded to Les Searle Plant Hire and Sales Ltd.”

The meeting ended at 5.44 pm

CHAIRMAN

Date:

WRITTEN ANSWERS TO QUESTIONS

Minute 82 Questions to the Executive

(a) Written Question: A27 Chichester By-pass improvement

Question from Mr M Hall and Mr S Lloyd-Williams

What information can the Leader of the Council provide about proposals for the improvement of the A27 Chichester By-pass following his meeting with Highways England on 25 January 2016?

Replies by Mr Tony Dignum, Leader of the Council

Following a meeting yesterday with Highways England (HE), their consultants Mott Macdonald, WSCC and traffic modellers Jacobs, it was confirmed that HE and the Department for Transport will be looking for the best scheme possible for road users, residents and businesses in Chichester; there is no preconceived preferred option. They will be guided by assessments, including those for traffic, environment, financial, economic and land use. Information gathering is continuing at present.

There will be a public consultation on all 7 options during March and April following which the evidence will be sent to the Department of Transport. As part of the consultation there will be an all-Member briefing from HE and their consultants. The 7 options are what was commonly thought to be 6 options, but option two now has two versions – 2 and 2a. It is anticipated that a final decision on the preferred route will be made in July.

CDC will be a formal consultee during the public consultation in March/April and also during the statutory part of the process. We are advised that there will be at least 10 exhibitions for members of the public at various locations. There is still no start date for the public consultation in March and nor has there been an answer to the request for an extension to the period of the public consultation to 12 weeks.

Attached is a joint press release from WSCC and CDC.

PRESS RELEASE

LEADERS SAY HIGHWAYS ENGLAND CONSULTATION “NOT GOOD ENOUGH”

COUNCIL leaders today called for a re-think after Highways England announced plans to lengthen its consultation on the A27 improvements – by just one week.

Highways England, which is responsible for upgrading this vital trunk road, is due to launch a public consultation into different improvement options in March.

West Sussex County Council and Chichester District Council have been pressing Highways England to extend its planned six-week consultation to give residents, businesses and councillors the chance to consult on all of the options to improve the A27 in Chichester.

Following Highway England’s announcement that its consultation would be extended by one week Louise Goldsmith, leader of West Sussex County Council, said it was “extremely disappointing”.

Louise added: “People will continue to demand longer and I support that and there is still no definitive start date – this is extremely disappointing.

“I believe when these proposals are put out to the public for their views they will be complex and detailed and there could be up to seven different versions of them.

“We, and all the residents, businesses and communities that we represent, deserve to be given the time to study them all in detail before we make our official responses and I simply do not believe that seven weeks is long enough.”

Tony Dignum, leader of Chichester District Council, said: “This is just not good enough. Residents, businesses and communities across West Sussex must be given adequate time to share their views about improvements to the A27.

“Local views will be vital in helping the Transport Secretary come to a decision about the right route and we will continue to press Highways England to extend the consultation further.

“There will be no second chances for us to get this right. When the consultation launches this March I would urge everyone interested to take the time to study all the options and to make their voices heard.

“As a council we will discuss the options fully during the consultation period, before informing Highways England of our response.”

Highways England announced its week long extension following a meeting with both council leaders at Chichester District Council yesterday. At the meeting Highways England outlined their plans for how the consultation would work.

Notes for editors:

Further information is available on the Highways England website [here](#).

Ends