



Minutes of the meeting of the **Cabinet** held in Committee Room 2 at East Pallant House Chichester West Sussex on Tuesday 10 April 2018 at 09:30

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| Members Present | Mr A Dignum (Chairman), Mrs E Lintill (Vice-Chairman), Mr R Barrow, Mr J Connor, Mrs S Taylor and Mr P Wilding |
| Members Absent | Mrs J Kilby |
| Officers Present | Mr N Bennett (Divisional Manager for Democratic Services), Ms P Bushby (Divisional Manager for Communities), Mrs L Grange (Divisional Manager for Housing), Mr D Hyland (Community and Partnerships Support Manager), Ms H Nicol (Rural Enabling Officer), Mr P E Over (Executive Director), Mr B Riley (Divisional Manager for Chichester Contract Services), Mrs D Shepherd (Chief Executive), Mr G Thrussell (Senior Member Services Officer) and Mr J Ward (Director of Corporate Services) |

503 **Chairman's Announcements**

Mr Dignum welcomed the members of the public, the press representatives and Chichester District Council (CDC) members and officers who were present for this meeting. He summarised the emergency evacuation procedure.

Mrs Kilby had submitted her apologies for absence.

All other members of the Cabinet were present.

Mr Dignum drew members' attention to the fact that there were several confidential exempt Part II appendices to Part I reports (agenda items 5, 6, 7 and 8) and emphasised that their contents must not be discussed in the public domain.

There were no late items for consideration.

[Note Hereinafter in these minutes CDC denotes Chichester District Council]

[Note Minute paras 504 to 515 below summarise the Cabinet's discussion of and decision on agenda items 2 to 13 inclusive but for full details of the items considered in the public session please refer to the audio recording facility via this link:

504 Approval of Minutes

The Cabinet received the minutes of its meeting on Tuesday 6 March 2018, which had been circulated with the agenda.

There were no proposed changes to the minutes.

Decision

The Cabinet voted unanimously on a show of hands to approve the aforesaid minutes without making any amendments.

RESOLVED

That the minutes of the Cabinet's meeting on Tuesday 6 March 2018 be approved.

505 Declarations of Interests

No declarations of interests were made at this meeting by Cabinet members or by any members who were present as observers.

506 Public Question Time

No public questions had been submitted for this meeting.

507 Section 106 Community Facilities - Donnington Parish Hall

[**Note** In order to accommodate the availability of a CDC member who would be asking a question with reference to agenda item 6 (Risk Management), Mr Dignum said that that item (minute 508) would be taken before this one but in these minutes the published order of business is observed]

The Cabinet received and considered the agenda report and also its confidential exempt Part II appendix, which had been circulated to members and relevant officers only.

This item was introduced by Mrs Lintill.

Mr Hyland was in attendance for this matter.

In commending to the Cabinet the proposed funding to assist Donnington Parochial Church Council (DPCC) in undertaking the first stage of improvement works to Donnington Parish Hall, which was a well-used community facility, Mrs Lintill summarised sections 3, 5 and 8 of the report. She updated paras 8.1 and 8.2 of the report respectively by advising that (a) the Grants and Concessions Panel had approved a grant of £10,000 to DPCC towards the project and (b) she had approved the section 106 community facilities contribution of £33,990-40 plus interest. She

pointed out that DPCC would be covering the shortfall in funding in order to meet the project costs.

Members spoke in support of the release of the section 106 community facilities funding.

In reply to a question Mr Hyland outlined the future stages of the redevelopment project.

Decision

The Cabinet voted unanimously on a show of hands to make the recommendation to the Council set out below.

RECOMMENDED TO THE COUNCIL

That the Council approves the release of £183,938.44 section 106 Community Facilities monies plus interest accrued to the date of release to Donnington Parochial Church Council for an extension to Donnington Parish Hall.

508 Risk Management

[**Note** In order to accommodate the availability of a CDC member who wished to ask a question with reference to this agenda item Mr Dignum said that it would be taken before agenda item 5 (minute 507) although in these minutes the published order of business is observed]

The Cabinet received and considered the agenda report and its four appendices, the second part of the second appendix being confidential exempt Part II material circulated to members and relevant officers only.

This item was introduced by Mr Wilding.

Mr Ward was available to answer questions on this matter.

Mr Wilding explained that the report principally drew to the Cabinet's attention the changes which were being proposed to CDC's Risk Management Policy and Strategy (pages 23 to 35), last updated in 2014, for recommendation to the Council. The main changes were necessary to reflect the new CDC senior management structure. CDC's Strategic Risk Group and Corporate Governance and Audit Committee (CGAC) had each scrutinised the changes. The CGAC had recommended on 29 March 2018 some further minor amendments which were set out in a draft minute extract (circulated in hard copy to the Cabinet at the start of this meeting), which he supported. The report also contained (pages 36 to 64) details of the current Strategic Risk Register, any high scoring risks for the Programme Boards and organisational risks, including the mitigation actions in place to help manage those risks. These were reviewed on a quarterly basis. The Risk Management Framework (page 35) delineated the roles, responsibilities, reporting lines, escalation routes and on-going monitoring procedures. The foregoing reflected the established process to ensure that risk management was embedded throughout

CDC to help in securing delivery of its Corporate Plan objectives and individual services to the community. Members could thereby be assured that risks were identified, considered and managed appropriately in accordance with the approved strategy.

Mr Dignum emphasised the thoroughness of the review which had been undertaken and repeated Mr Wilding's affirmation that the CGAC's proposed changes were endorsed.

Mr Barrow raised two points with regard to the Strategic Risk Register:

- (1) CRR 88 – Non Achievement of Recycling Target of 50% by 2020 (page 50): whether the risk of CDC not achieving the 50% recycling target by 2020 could be affected by decisions taken by the West Sussex County Council partnership of waste and recycling collection authorities. Mrs Shepherd said that the risk had been carefully considered by the responsible officer for this matter and by SLT, and it was subject to a quarterly review which would take account of any changes which might affect the risk scoring. The recycling rate trajectory was pleasing. There were a range of initiatives being led by Mr Barrow and Mr Connor. Mr Dignum observed that the current recycling rate of 45% was expected to be enhanced by an additional 2.5% for additional green waste collected.
- (2) CRR 149 - Impact of Universal Credit (UC) on working claimants across the district (page 57): the reason for the difference in the risk score which was shown as 9 in March 2018 and predicted to be 3 in March 2019. Mrs Shepherd explained that the current risk was 6 and the target risk was 3. She said that until UC was fully implemented (there were ongoing delays) it was difficult to assess the impact but CDC was well prepared to assist claimants with the emerging process. Mr Dignum added that for the time being UC would apply only to new and not extant claimants.

Mr Barrow responded to a question by Mr Connor as to whether there was a risk of loss of income from certain plastics no longer being recycled but instead being reused by retailers. It was not possible to say how many retailers would deploy the equipment to enable them to do this but the cost was likely to deter many retailers.

Mr Dignum invited Mr J Brown (Southbourne) to the table to read out two questions which he had submitted in advance and to receive a response from Mr Wilding.

Questions

With respect to CRR 147 Southern Gateway Regeneration and certain recommendations made by the CGAC with respect thereto at its meeting on 29 March 2018:

- (1) What specific actions are being taken to mitigate against the reputational and financial risks to the Council identified in the report?

- (2) What is going to be done between now and the end of September to lower the likelihood of anything going wrong with this project from 'probable' to 'unlikely'?

Responses

Mr Wilding thanked Mr Brown for his questions and provided the following responses:

- (1) *What specific actions are being taken to mitigate against the reputational and financial risks to the Council identified in the report?*

- Financial exposure is predominantly associated with the risk of needing to pay back the LEP grant. As this grant is most likely to be used to purchase relocation assets, then Chichester District Council (CDC), if it does have to repay the grant, will have assets that it can sell to recoup its outlay. In addition Accredited Valuer sign off in accordance with the Red Book/IFRS standards will apply to any purchases made that will mitigate against their being any shortfall in the event of repayment. The balance of the funding is One Public Estate funding (£80.000) which does not need to be repaid and CDC funding of £75,000 which is being spent on consultancy to advise the project team.
- Reputational risk is minimised by close liaison with the community groups and stakeholders and clear and concise messages in accordance with the approved Communications Strategy.

- (2) *What is going to be done between now and the end of September to lower the likelihood of anything going wrong with this project from 'probable' to 'unlikely'?*

- Law Courts handover – high level engagement at ministerial level (by the project sponsor, Leader and MP) is designed to ensure the transfer from the Ministry of Justice to Homes England (HE) takes place without any further delay. Local 'pop up' court provision has been offered by CDC and is available at short notice.
- West Sussex County Council (WSSCC) land – WSSCC officers are now actively engaged with the Academy and Homes England to enable their land to be included. Key activity is to be completed before the end of April.
- Legal consultancy is being commissioned (appointment expected May 2018) and one of the first tasks of the commission will be to conclude a tripartite agreement between the key strategic landowners (CDC/WSSCC/HE) that will contractually bind us to bring the sites collectively to the market provided certain conditions are met and agree the distribution of receipts and expenditure.

- Growth Deal – action now completed and Growth Deal signed by WSCC/CDC – this devotes resources from both organisations to the project.
- Relocation sites – negotiations are actively taking place with owners of potential sites and those businesses involved. Once terms are agreed they will be reported to the Cabinet (and the Council if necessary) for approval.
- Key studies to identify abnormal costs have either been completed or are commissioned. Expected completion date for outstanding studies is end of April 2018.
- Public sector funding shortfall – further funding streams are being explored including the progress of the £10bn funding announced in the budget statement last autumn which has not yet been distributed. In the absence of further funding to plug the gap the project will commence on a phased basis. With government committed to the delivery of housing and jobs there is every prospect that further funding streams will become available.

He concluded by saying that all of the risks were reviewed and considered by the project team at its monthly meetings.

Mr Dignum invited Mr Brown to ask a supplementary question.

Mr Brown thanked Mr Wilding for his responses. He asked if it was felt that the target risk score of 3 by 28 September 2018 was realistic. Mr Wilding requested Mr Over to reply.

Mr Over explained that precision about dates could never be ensured with a complex regeneration scheme on this scale. The required mitigation measures were in place. CDC, WSCC and HE were liaising with the various landowners to ensure actions were completed in time. Despite the short timetable, negotiations with the landowners had been taking place for several months and the process was on track.

Mr Dignum emphasised that no speculative investments were being contemplated in this scheme.

Decision

The Cabinet voted unanimously on a show of hands to make the recommendation to the Council and its own resolutions set out below.

RECOMMENDED TO THE COUNCIL

That the updated Risk Management Policy and Strategy including the amendments made by the Corporate Governance and Audit Committee be approved.

RESOLVED BY THE CABINET

- (1) That the current strategic risk register and the internal controls in place, plus any associated action plans to manage those risks be noted, including the amendments made by the Corporate Governance and Audit Committee.
- (2) Both the current high scoring programme board and organisational risks and the associated mitigation actions in place be noted, including the amendments made by the Corporate Governance and Audit Committee.

509 Enabling the Delivery of Affordable Housing on the Crooked Lane Birdham Exception Site

The Cabinet received and considered the agenda report and its five appendices, the fourth of which was confidential exempt Part II information and was circulated to members and relevant officers only.

This item was introduced by Mrs Taylor in the absence of Mrs Kilby.

Miss Nicol, Mrs Grange and Mr Bennett were in attendance for this matter.

Mrs Taylor said that the recommendations in section 2 of the report were intended to facilitate the delivery of the affordable housing scheme for 15 new affordable dwellings (the mix was listed in para 4.2 of the report) on the subject site (brought forward through the Chichester Rural Partnership) via compulsory purchase of the site access, the issues in respect of which were explained in section 4 of the report. In view of the uncertainty over legal ownership of the access, Hyde had formally requested that CDC deploy its compulsory purchase (CP) powers. The intention was that, if approved by the Cabinet, officers would investigate the merits of pursuing CP in this case.

Mrs Grange summarised the current local housing need position, which the delivery of this scheme would help to address.

Miss Nicol advised that there was a correction to the indicative timetable in para 6.10 of the report: for Q1 2020 (last entry) the words 'Target start on site' should be replaced with 'Recommencement of development work'. The Cabinet noted this textual amendment.

Mr Connor queried the correct construction to be placed upon the second sentence in para 8.4 of the report as he wished to be reassured that the cost of the CP process would not be borne by CDC.

In reply, Mr Bennett confirmed that Hyde would be responsible for underwriting the costs of pursuing a CP order (para 6.2 of the report) in order to achieve the very important social purpose of providing affordable housing within the local community. He conceded that the second sentence in para 8.4 required clarification. He said that the concluding words ', subject to the Council being satisfied that the acquisition of each interest or right to be acquired is justifiable in the public interest' ought to form part of the preceding sentence. The opening words 'This [ie the costs incurred]

would then be reimbursed by Hyde' should constitute a separate and final sentence in their own right.

In response to a question by Mr Barrow, Mrs Taylor said that the opportunity for local residents to make representations about the development of this site for housing was not now but had been prior to the grant of planning permission in 2013 (para 4.2 of the report). She summarised the relevant planning history as set out in section 4 of the report.

Decision

The Cabinet voted unanimously on a show of hands to make the resolutions set out below.

RESOLVED BY THE CABINET

- (1) That the carrying out of a land referencing exercise in respect of the small area of land (identified in appendix 3) to be funded by Hyde group be approved.
- (2) That on completion of the land referencing exercise a further report to the Council be prepared by officers as to whether the acquisition of the land and interests or rights in respect of that land is justified on the grounds that it is in the public interest and considering the relevant statutory compulsory purchase powers.
- (3) That officers be authorised to undertake the next steps as set out in section 6 of the agenda report in order that any decision by the Council can be carried through promptly.
- (4) That officers be authorised to spend up to £27,000, on the basis that this will be reimbursed by Hyde pursuant to a deed of indemnity as to costs in respect of the legal, land referencing and other costs related to the steps set out in section 6 of the agenda report.

510 CCTV

The Cabinet received and considered the agenda report and its confidential exempt Part II appendix which had been circulated to members and relevant officers only.

This item was introduced by Mrs Lintill.

Mrs Bushby was in attendance for this matter.

Mrs Lintill summarised sections 3, 5 and 7 of the report with reference to the benefits secured by, the community's high regard for and appreciation of the CCTV service, and the justification for continuing the service beyond the expiry of the contract period and in favour of the stated contractor.

Mrs Bushby did not add to Mrs Lintill's introduction.

Mr Dignum emphasised the importance of the CCTV service, alluded to the alternative options in section 6 of the report and expressed the hope that consideration would be given when settling the terms of the new contract to increasing the flexibility of the hours of operation.

Decision

The Cabinet voted unanimously on a show of hands to make the resolution set out below.

RESOLVED BY THE CABINET

That the award of the contract to contractor 3 for the provision of staff to enable the continuation of the CCTV service in Chichester District be approved.

511 Carry Forward Requests 2018

The Cabinet received and considered the agenda report and its appendix which had been circulated in the agenda supplement.

This item was introduced by Mr Wilding.

Mr Ward was available to answer questions on this matter.

Mr Wilding commended for the Cabinet's approval the schedule appended to the report with the four carry forward request items totalling over £90,000 for the 2018-2019 financial year. The requested items and the reasons for them were valid. The list had been filtered by several layers of management: (a) the budget managers who had generated the requests in respect of the unspent balances which they exceptionally wished to carry over in CDC's interests; (b) Mr Ward (Director of Corporate Services and the Section 151 Officer) and Mrs Shepherd (Chief Executive) had examined the requests and deleted those which they did not support; and (c) the Corporate Governance and Audit Committee had reviewed the list and satisfied itself that they were appropriate.

Mr Dignum expressed his support for the requests.

Mr Barrow explained the nature and purpose of binrastructure review (the second of the two requests submitted by Chichester Contract Services). In reply to Mr Connor, he confirmed that the review would include considering the use of non-corroding materials to replace metal for dog waste bins in coastal areas. He pointed out that dog waste could now be placed in general refuse bins.

Decision

The Cabinet voted unanimously on a show of hands to make the resolution set out below.

RESOLVED BY THE CABINET

That the requests for budgets to be carried forward to 2018-2019 totalling £90,000, as recommended by the Corporate Governance and Audit Committee at its meeting on 29 March 2018, be approved.

512 Appointments to Panels. Forums and other Groups 2017-2018

The Cabinet received and considered the agenda report.

This item was introduced by Mr Dignum.

The Cabinet proceeded immediately to the recommendation.

Decision

The Cabinet voted unanimously on a show of hands to make the resolution set out below.

RESOLVED BY THE CABINET

- (1) That Adrian Moss takes the vacant seat on the Joint Employee Consultative Panel.
- (2) That Adrian Moss replaces Richard Plowman on the Development Plan and Infrastructure Panel.

513 Late Items

There were no late items for consideration at this meeting.

514 Exclusion of the Press and Public

RESOLVED BY THE CABINET

That in accordance with section 100A of the Local Government Act 1972 (the Act) the public and the press be excluded from the meeting during the consideration of agenda item 13 (Expansion of Green Waste Service) for the reason that it is likely in view of the nature of the business to be transacted that there would be disclosure to the public of 'exempt information' being information of the nature described in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) in Part I of Schedule 12A to the Act and because in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

515 Expansion of Green Waste Service

The Cabinet considered the confidential Part II agenda report which had been circulated to members and relevant officers only.

The report was presented by Mr Barrow.

Mr Riley was in attendance for this item.

Mr Barrow summarised the contents of the report.

Mr Riley emphasised the importance to CDC of the increasing volume of green waste being collected in view of the amount of dry recyclable materials being recovered having reached a plateau.

The Cabinet commended the very satisfactory and sensible proposal to acquire the new vehicle.

Decision

The Cabinet voted unanimously on a show of hands in favour of making the resolutions set out below.

RESOLVED BY THE CABINET

- (1) That the purchase of an additional vehicle to expand the green waste collection service be approved.
- (2) That the growth of £19,000 per annum in the asset replacement programme to fund the future replacement of the additional vehicle be met from additional income generated by the expanded service.

[Note The meeting ended at 10:18]

CHAIRMAN

DATE