



Minutes of the meeting of the **Cabinet** held in The Old Court Room, The Council House (Chichester City Council), North Street, Chichester on Tuesday 3 May 2016 at 9.30 am

Members Present: Mr A Dignum (Chairman), Mrs E Lintill (Vice-Chairman), Mr R Barrow, Mr B Finch, Mrs P Hardwick, Mrs G Keegan and Mrs S Taylor

Members not present:

In attendance by invitation:

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

190 **Minutes**

RESOLVED

That the minutes of the meeting of the Cabinet held on Tuesday, 12 April 2016, be signed as a correct record.

191 **Urgent Items**

There were no urgent items for consideration at this meeting.

192 **Declarations of Interests**

No interests were declared at this meeting.

193 **Public Question Time**

No public questions had been submitted.

194 **Local Plan Review - Project Initiation Document (PID)**

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor introduced the report. She pointed out that the Local Plan was the foundation for the determination of planning applications. The current Local Plan had been adopted in 2015, but the Planning Inspector who conducted the examination into the soundness of that plan indicated that it could only be found sound and therefore be adopted if it was subject to an early review to be completed within five years.

She appreciated that a review raised anxieties in the community and, therefore, it was important to have a transparent programme, with a clear timetable, costs and resources.

The review would require a range of background evidence. As far as possible the evidence base for the current plan would be used, as well as other studies in progress such as the A27 and tourism. The Coastal West Sussex and Greater Brighton Strategic Planning Board would be undertaking a review of the Local Strategic Statement. However, a number of other studies would need to be carried out by outside consultants.

The total estimated budget for the review was £800,000. From 2017/18, the annual draft revenue budget would contain a base budget contribution to reserves of £160,000 to fund future reviews of the Plan.

If the review was not undertaken, the Council would have to spend resources to handle speculative planning applications and appeals instead of retaining a plan led process.

The Cabinet discussed the costs in the Project Initiation Document (PID). Mr Allgrove (Planning Policy Conservation and Design Service Manager) acknowledged that the studies to produce the evidence base were costly, but explained that the estimates were based on past experience and the costs incurred in preparing the current Plan. Formal competitive tenders would be used for studies estimated to cost over £50,000, and competitive quotations would be obtained for those below this amount.

The Cabinet also discussed the timetable. They noted that the new Plan needed to be adopted by July 2020, and that the timetable needed to allow time for slippage, and also for the risk the Examiner might require further work in order to agree that the Plan was sound.

Mr Finch asked about the impact on neighbourhood plans and stated that guidance about this to parish councils would be required. Mr Allgrove explained that the preferred approach would be that the Local Plan should be completed and then neighbourhood plans should be produced in conformity with it. However, Cabinet members felt that this should be considered further because of the risks arising during the lapse of time between adoption of the Local Plan and completion of neighbourhood plans. It was agreed that the Development Plan and Infrastructure Panel should be asked to consider this issue.

RECOMMENDED TO COUNCIL

That a total budget of £800,000 be allocated from reserves to fund the Local Plan Review.

RESOLVED

- (1) That the Local Plan Review Project Initiation Document (appended to the report) be approved.
- (2) That it be noted that from 2017/18 the annual draft revenue budget will contain a base budget contribution to reserves of £160,000 to fund future reviews of the Local Plan.

195 Chidham and Hambrook Parish Neighbourhood Plan

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor introduced the report, explaining that the Examiner had completed the examination of the Chidham and Hambrook Parish Neighbourhood Plan. She had recommended a number of modifications to ensure the Plan met the requirements of the Basic Conditions. Subject to these modifications she had recommended that the Plan be submitted for referendum. Because the EU referendum was being held on 23 June, the neighbourhood plan referendum would be held in September.

RESOLVED

- (1) That the Decision Statement as set out in the appendix to the report be published.
- (2) That the examiner's recommendation that the Neighbourhood Development Plan proceed to referendum, subject to modifications as set out in the Decision Statement, be approved.

196 Southern Gateway, Chichester

The Cabinet considered the report circulated with the agenda, together with a coloured map of the area under consideration (copy attached to the official minutes).

Mr Dignum introduced the report, explaining that the area known as the Southern Gateway had long been seen as an area for redevelopment, and a planning framework for the area had been adopted as supplementary planning guidance as long ago as April 2001.

The area was originally defined as stretching from the former Girls' High School site to the south to the bus station, bus garage and station concourse to the north. Since 2001 the old southern railway sidings had been developed as the Wileys office block shown on the map as the Atrium. The old Osborne's office block on the south side of the canal basin had been replaced by housing, and the old Girls' High school site and grounds by student accommodation.

The remaining areas had not been developed mainly because of a lack of funding to finance the relocation of the Royal Mail depot, the Stagecoach bus station and bus garage. In addition public sector funding was needed for waste water, transport and other public realm investment and for tackling issues like decontamination.

However, a three part opportunity to raise public finance had now emerged to allow the relocation and other items of public realm investment:-

- (a) To bid for a share of £1.8bn of Local Growth Funds (LGF3) announced in the Budget and available through the Coast to Capital (C2C) Local Enterprise Partnership (LEP). The Council's bid had met the deadline of 29 April 2016.
- (b) To bid to the Homes and Communities Agency (HCA)/ Department for Communities and Local Government (DCLG) as an expression of interest for a share of £1.2bn of new Starter Home Land Fund to be made by Friday 13 May (open until 31 December 2016).
- (c) West Sussex County Council had allocated £30m of WSCC funds in the Capital Programme (2017/18 – 2019/20) to support the leverage in of external funding.

Whilst there was no commitment at this stage, officers had been preparing bids for submission within the very tight deadlines given.

The sites that could be included in these bids had extended beyond the Royal Mail depot, the bus station and garage, to embrace the Courts building, the Police station, the redundant portion of the Boys' High school site, the Basin Street car park and the Job Centre, all shown in different colours on the plan. The Council's land interest included the bus station and garage, leased to Stagecoach for the next 30 years, and the Basin Street car park.

It was proposed that the District Council takes a lead in initiating this project and should use its own standing orders to progress procurement and other actions required.

It was also proposed that the three funding bodies, namely the Council, the HCA and WSCC form a Steering Group. The Steering Group would be chaired by the Leader of the District Council and WSCC would be asked to nominate a Cabinet member representative and substitute. The Deputy Leader would also sit on the Steering Group. [He subsequently agreed that the Cabinet Members for Commercial Services and Housing and Planning should also be on the Steering Group]

The Steering Group would be supported by a project group of officers with appropriate disciplines and of external consultants where required. A Communications Strategy would be developed to ensure that stakeholders and the public were kept up to date.

The project was probably the biggest regeneration project the City had ever had, extending to 30 acres in all. This was an exciting opportunity to realise a number of desirable outcomes which could include:

- Additional housing

- Student accommodation
- High earning employment space
- Retail space
- Other visitor attractions including an attractive northern canal frontage to the canal basin

He thanked the officers, led by Mr Over, for preparing and submitting the bids.

Mr Over confirmed that the bid to the LEP had been submitted and could possibly unlock substantial private sector investment. Chichester had a number of distinctive features, such as the only canal basin, the only University, and the highest house prices in West Sussex. The bid also was near a transport interchange, on brownfield land and provided significant new housing. The Council would not know until the Chancellor's Autumn Statement whether its bid had been successful. Potentially the project could bring about 280 homes, 1,250 new jobs and safeguard a further 1,250 jobs. The project would take several years, probably in phases, to complete. There had been little community consultation to date, but this would be a feature of the master planning, carried out with the assistance of consultants, over the next few months.

Cabinet members welcomed and expressed strong support for the bid. The HCA bid could provide 300-600 starter homes (not all on this site) and make a good contribution to a five year land supply. However, they noted the competitive nature of the bidding process.

Mr Over confirmed that the LEP expected a lot of bids, but Chichester's was a unique offering with a good private:public investment ratio. The LEP was expected to announce its initial shortlist in June 2016. The master planning would probably have knock-on effects outside the site, and would take into account projects such as the Enterprise Gateway and improvement of the A27 Chichester By-pass.

RESOLVED

- (1) That the Cabinet supports the Southern Gateway Project in principle and the funding bids to the Local Enterprise Partnership; Homes and Communities Agency; and West Sussex County Council and other appropriate funding streams.
- (2) That the preliminary governance arrangements set out in paragraph 6.3 of the report be approved including the Council being the "accountable body" for any funding received if required.
- (3) That a full Project Implementation Document (PID) and the masterplan specification be prepared for consideration at the June Cabinet meeting.

197 Affordable Housing Delivery

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor introduced the report. She explained that the Council had £1.33m commuted sums ring-fenced for the provision of affordable housing. Government priorities were now focussed on increasing the supply of housing, including low cost home ownership and starter homes. The housing market could be expected to increase the supply of these homes , but at the same time the supply of affordable rented housing was expected to decline.

The Cabinet had recently agreed that commuted sums received in lieu of affordable housing could be used:

- (a) To convert shared ownership to rented units
- (b) To attract investment to meet specific local needs, e.g. bungalows, disabled units, redevelopment of outdated or difficult to let housing
- (c) To enable viability of small schemes e.g. rural schemes and schemes with high design costs or additional amenity requirements
- (d) Where grants would reduce rents to affordable levels, particularly in the case of larger family rented homes.

It was, therefore, proposed to allocate £1.295m of commuted sum funds to affordable housing projects as set out in the Appendix to the report. These were mainly small sites which were relatively expensive to deliver and, following the government's rent reduction policy, would not be delivered without financial support from the Council. All but one of these sites would be developed as 100% affordable housing. This would help to achieve the right housing in the right place.

Mrs Grange (Housing Enabling Manager) corrected paragraph 5.5 of the report in that seven out of the ten sites already had planning permission. If any of the schemes did not proceed, the commuted sums could be re-allocated as they did not have to be spent until 2020.

Mrs Lintill expressed disappointment that, although Petworth had sites that had contributed substantially to the commuted sums, none of the proposed projects would meet the need for affordable housing in Petworth. Mrs Grange confirmed that sites in Petworth were being sought. She explained that within the National Park commuted sums would in future mainly arise from planning agreements negotiated by the South Downs National Park Authority. The National Park Authority would be responsible for determining where they were to be spent. The Council would need to seek agreement with the National Park Authority that sums arising in Chichester District should, where possible, be spent in Chichester District. A meeting with the National Park Authority was to be held on 10 June.

Mrs Keegan pointed out that sometimes these schemes aroused local opposition, especially if there was no guarantee that the new houses would be occupied by local people. Mrs Taylor pointed out that use of commuted sums did give the Council some negotiating strength with the registered provider in considering the allocation of homes at first letting. Mrs Grange added that under the rural allocations policy, people in bands A, B or C who had a local connection to the parish would have priority in the allocation of homes. In rural parishes this applied not only to first

lettings but also to subsequent lettings. Mrs Hardwick asked whether this policy could be extended to give priority to people from the parish where the commuted sum arose. It was agreed that this should be considered when the Housing Allocations Policy was next reviewed.

RESOLVED

That £1.295m commuted sum monies received in lieu of affordable housing be allocated to deliver 43 affordable rented housing units, as detailed in the Appendix.

198 Electrical Repair and Maintenance Contract 2016/21

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mr Finch introduced the report, drawing attention to the Council's duty to manage electrical installations in its properties in accordance with the Electricity at Work Regulations 1989 and the Electrical Safety, Quality and Continuity Regulations 2002. The Council had had a call-off contract with a supplier that had recently expired and, accordingly, had undertaken an OJEU tendering process, the results of which were set out in the Appendix. The contract was worth about £30,000 a year, although this could decline because testing was now carried out on a risk basis rather than mandatory 100%, and because of the outsourcing of Leisure Centres and other property disposals.

RESOLVED

That a new three year electrical contract be entered into on or after 1 June 2016 with Contractor J with an option to extend the contract for a further two years.

199 Exclusion of the Press and Public

The press and public were not excluded for any part of the meeting.

The meeting ended at 10.47 am

CHAIRMAN

Date: