



Minutes of the meeting of the **Cabinet** held in Committee Room 2, East Pallant House on Tuesday 12 July 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), Mrs J Hotchkiss (Head of Commercial Services) and Mr P Coleman (Member Services Manager)

217 **Minutes**

RESOLVED

That the minutes of the meeting of the Cabinet held on Tuesday, 7 June 2016, be signed as a correct record.

218 **Urgent Items**

The Chairman (Leader of the Council) referred to the EU referendum result, unexpected by many, that had changed the nation's direction, led to a change of prime minister, and moved the country into uncharted territory. It was important that the Cabinet and Council provided leadership locally and carried on doing the best for services to residents. For the District Council this meant "business as usual" and, in particular, supporting the local economy and employment, and boosting local business confidence. This had implications for a number of items on the agenda for this meeting. The district had wonderful assets, and would get through whatever difficulties were presented by the transition to Brexit. Chichester District remained open for business.

219 **Declarations of Interests**

Mrs Keegan declared a personal and prejudicial interest in agenda item 8 (Chichester City Centre Management – Renewal of Chichester BID) (see minute 224 below), as being the Council's appointed representative on the Chichester City Centre Partnership. She did not vote on this matter.

Mr Dignum and Mr Finch declared personal and prejudicial interests in agenda item 13 (Council Tax Reduction Scheme and review of Council Tax locally defined discounts and premia for 2017/18) (see minute 229 below), as being members

respectively of Chichester City and Southbourne Parish Councils, which were beneficiaries of the Council's scheme of grants to parish councils to support their tax base. However, both members had been granted a dispensation by the Monitoring Officer, after consultation with the Chairman of the Council, enabling them to speak and to vote on the matter.

Mr Barrow declared a personal and prejudicial interest in agenda item 19 (Land in Ellis Square, Selsey – Land Disposal) (see minute 234 below), as having a close association with one of the would-be purchasers. He left the meeting during consideration of this item and took no part in the discussion and did not vote.

220 **Public Question Time**

No public questions had been submitted.

221 **Chichester District Council Annual Report 2015-16**

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

Mr Dignum introduced the report. He explained that the Annual Report was compiled by officers each year and the draft was agreed by Cabinet Members. It was a useful summary of the enormous range of services provided by the Council, and he commended all members, especially those newly-elected in 2015, to read it.

He proposed five amendments as follows:-

Page 13, 5th paragraph, second line: substitute 'ways of contacting us' for 'channels'.

Page 13 last paragraph: the reference to '1,000,000 vulnerable people and saved thousands of lives' now reads '1,000,000 vulnerable people and saved thousands of lives in the district and beyond'.

Page 14 first paragraph: the reference to '21,000 clients – from young carers to senior citizens' now reads '21,000 clients – from young carers to senior citizens, of which some 2,800 are Chichester district residents'.

Page 17 paragraph 2: reference to 'the Grange' now reads 'the Grange, Midhurst'.

Page 24 last paragraph, first bullet: reference to 'two responsible dog events' now reads two responsible dog-owner events'.

Mr Buckley (Corporate Improvement Officer) pointed out that the Annual Report did not cover 'business as usual' but focussed on significant projects and achievements.

With the Chairman's permission, Mr Macey asked for the number of Licensing Act 2003 and Gambling Act 2005 applications covered in LPIs 117 and 118 respectively on page 26. Mr Buckley agreed to reply in writing. [Note: The numbers are: LPI 117 – 915 applications; LPI 118 – 27 applications]

RECOMMENDED TO COUNCIL

That the Annual Report 2015-16 be approved, subject to the five amendments proposed by the Chairman.

222 Chichester in Partnership - Community Strategy 2016-2021

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

Mrs Lintill introduced the report. She reminded the Cabinet that Chichester in Partnership (CIP) had been formed in 2002. The Local Government Act 2000 placed a duty on local authorities to prepare a Sustainable Community Strategy (SCS) to promote and improve the economic, social and environmental well-being of their areas, and contribute to the achievement of sustainable development. This was rescinded in 2012, but unlike other Local Strategic Partnerships (LSPs) CIP had continued to flourish, becoming more focussed, with action plans and strategies being developed, priorities set, outcomes planned and projects delivered. In December 2015 partners agreed to complete a light touch review of the SCS in consultation with the core and wider partnership. The result was a new strategy that was shorter and easier to read with fewer priorities. Each partner was being asked to take the revised SCS through its formal approval process.

The Overview and Scrutiny Committee reviewed the work of the CIP each year, and had recommended approval of the revised strategy. The Committee had also recommended that "consideration is given to establishing an emergency fund for Chichester in Partnership for the period 2016-2021 to ensure its ability to function in times of hardship."

In consequence of this, she proposed an amendment to the second recommendation in the report, which was duly carried.

RECOMMENDED TO COUNCIL

- (1) That the Community Strategy 2016-21 be adopted.
- (2) That a £10k funding reserve be made available, to be managed by the Cabinet Member for Community Services and the Head of Community Services as the Council's representatives to Chichester in Partnership, in order to attract match funding to support new or existing projects with proven benefits to vulnerable residents that would otherwise fail for lack of short term funding.

223 A27 Contributions - Adoption of amendment to the Planning Obligations and Affordable Housing Supplementary Planning Document

Referring to minute 119 of 5 January 2016, the Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Taylor introduced the report, reminding the Cabinet of their previous consideration of this matter and their approval for consultation of a proposed methodology for securing financial contributions from the major housing developments proposed in the Chichester Local Plan to mitigate their traffic impact on the A27 Chichester Bypass junctions. She drew attention to the scale of the financial cost of the mitigation package set out in Appendix 3 and to the method of calculation in the table in paragraph 1.6 of that Appendix, which required each development of more than 50 dwellings to pay a contribution per dwelling based on the estimated number of trips generated that would use the A27 junctions. Developers would be required to enter into a Section 106 agreement requiring them to enter into a Section 278 Agreement with Highways England to pay the contribution. The scheme was intended to mitigate the impact of new development, not to remedy current difficulties. She pointed out that, in the consultation, the developers had raised no objections in principle.

In answer to a question about the relationship of this scheme to the possible major improvement of the A27 Chichester By-pass, she explained that it was important to have the proposed methodology in place, because planning applications for development were already being made and Section 106 Agreements being negotiated. It would be some time before the final proposals for the A27 improvement were known. However, if that improvement came about it was likely that the developers' contributions would be used by Highways England to progress that scheme.

RESOLVED

That the proposed responses to the representations received, as set out in Appendix 1, be approved.

RECOMMENDED TO COUNCIL

- (1) That, because there are no adverse comments from the Statutory Bodies and for the reasons set out in the Criteria and screening opinion set out in Appendix 2 to the report, it be determined that a Strategic Environmental Assessment is not required in respect of the proposed amendment to the Planning Obligations and Affordable Housing Supplementary Planning Document (SPD); and
- (2) That the approach for securing A27 contributions proposed in the consultation be agreed, and that the amendments to the Planning Obligations and Affordable Housing Supplementary Planning Document (SPD) be formally adopted by including the additional wording set out in Appendix 3 to the Cabinet report.

224 Chichester City Centre Management - Renewal of Chichester BID

Referring to minutes 29 of 5 July 2011 and 142 of 9 February 2016, the Cabinet considered the report and appendices circulated with the agenda (copies attached to the official minutes).

In view of Mrs Keegan's declaration of a prejudicial interest, Mrs Lintill introduced the report. She explained that Chichester's City Centre Business Improvement District (BID) was one of over 200 BIDs in place across the country. Chichester BID had been established five years ago, its formation being driven by this Council's Economic Development Service in conjunction with the Chamber of Commerce.

A number of City Centre functions, formerly undertaken or overseen by the Council, had been transferred to the BID, including:

- City Centre management and events
- the annual Christmas lights
- the ChiBAC (Chichester Business Against Crime) initiative

Since 2012, Chichester BID had also provided a good deal of marketing and promotion of the City Centre, and improved its physical organisation and general safety and security

BIDs were business led partnerships created through a ballot process with all business ratepayers in the BID area voting on whether the BID goes ahead. By law a BID had to be renewed every five years, giving business ratepayers the opportunity to vote again to decide whether or not the BID should continue for a further term

Chichester's City Centre BID was nearing the end of its first five-year term and wished to seek renewal for a further term of five years. Accordingly, it had undertaken extensive consultation with local businesses and had prepared its Renewal Business Proposal for the next five years.

While the BID did not achieve everything it set out to do in its first term, overall it had been a success, and, for its second term, proposed to build on those successes.

If the BID was not renewed it would cease from 31st March 2017. A number of City Centre management, organisational and promotional functions would then stop or need to be re-allocated to other bodies, including Christmas lights and festivities, events and promotions, ChiBac and city centre safety, advocacy and support to businesses. Similarly, the additional activities proposed for the next five years would not happen.

The progress of the BID had been reviewed annually by the Overview and Scrutiny Committee, and at its meeting on 5 July the Committee had recommended the Cabinet to support the BID's renewal plans and that the level of support provided by the Council to the BID's strategic partnership be considered and that a brief report be requested to identify how joint objectives could be better delivered.

The BID's Renewal Business Proposal was in line with the Council's strategic objectives, and complemented its emerging strategy for the visitor economy and the Chichester Vision.

Mr Oates (Economic Development Manager) added that national experience was that BID's achieved reasonable success in their first term, and developed more

strongly in their second term. The BID was proposing to be far more proactive in its next term and would focus on:

- Strategic partnerships with the Council, the Chamber and Visit Chichester
- Improved communications and advocacy on behalf of businesses
- Marketing and events across the year
- Developing the City's visitor economy
- Better support to businesses through data provision and other activity
- Public realm improvements and city centre safety

The BID proposed to increase the levy on the business community by 0.25% to 1.25 %, in order to increase marketing and develop the visitor economy. This additional funding would be ring-fenced for these purposes. As a result some £1.57m would be available to deliver the programme over five years.

The BID was undertaking a considerable programme of consultation with businesses. 120 businesses had been visited to date by the BID renewal team, the majority of whom had confirmed they would vote 'Yes'.

The BID was proposing the following timescale, although this would be for the Ballot Holder to determine:

- 14 September Notice of the ballot from the Ballot Holder to the Levy Payers
- 3 October Ballot papers sent out to eligible voters
- 21 October Deadline for appointments of proxy
- 3 November Ballot Day: voting closes at 5pm
- 4 November Ballot count and announcement of the result

The BID supported Objective 3 under the Economy section of the Corporate Plan, i.e. 'Promote the city and town centres as vibrant places to do business'.

The Chairman commented that renewal of the BID was worth supporting. It generated over £300,000 per annum for its activities, and the Council's contribution as a business ratepayer was only about £10,000. Its activities made the BID good partners for the Chichester Vision and Southern Gateway projects.

In answer to a question from Mr Barrow, Mr Oates explained that a successful ballot required a 'yes' vote from over 50% of businesses voting, and the total rateable value of those voting 'yes' must exceed that of those voting 'no'.

RESOLVED

(1) That the 'Renewal Business Proposal' prepared by Chichester Business Improvement District (BID) be agreed by the Cabinet and, accordingly, renewal of the BID for further term of five years be supported.

(2) That the Ballot Holder (Chief Executive) be instructed to hold a BID ballot.

RECOMMENDED TO COUNCIL

That the Leader of the Council be authorised to vote in accordance with Cabinet's decision in relation to the ballot to renew the BID.

225 **Treasury Management Policy 2016-2017 - Update**

Referring to minute 131 of 26 January 2016, the Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Hardwick introduced the report, reminding the Cabinet that the Council had approved its Annual Investment Strategy on 26 January 2016. This Strategy provided for a diversification of Council investments into more secure and/ or higher yielding asset classes during 2016-17, including the Local Authority property fund, covered and corporate bonds. The Strategy now needed updating to reflect the change of the Council's banker to National Westminster Bank Plc. The revised Strategy allowed more headroom for management of cash balances and raised limits on the use of the Local Authority property fund. She added that this revised Strategy had been drawn up before the results of the EU referendum were known. This had affected the national economic context.

The Chairman thanked Mr Catlow (Group Accountant) for his contribution to drafting the revised Strategy.

Mr Catlow stated that the proposed changes to the Strategy enabled the Treasury Management Team more flexibility to invest. It was too early to assess the economic impact of the referendum, although it could be expected that interest rates would fall and remain low until at least 2020. He suggested that an update be presented to the Cabinet in September.

RECOMMENDED TO COUNCIL

That the revised Treasury Management Strategy 2016-17 be approved.

RESOLVED

That the Head of Finance and Governance Services be asked to update the Cabinet at its next meeting on any significant changes in market conditions that may affect this Strategy.

226 **Review of the Constitution**

Referring to minute 159 of 8 March 2016, the Cabinet considered the report and appendices circulated with the agenda (copies attached to the official minutes).

Mrs Hardwick introduced the report. She reminded the Cabinet that she had been appointed by the Council to chair a Task and Finish Group (TFG) to review the Council's Constitution and advise Cabinet and Council on any changes, in particular, on how decisions are made and the effective operation of the Council's business. The TFG had met twice and its conclusions were summarised in paragraphs 4.4 and 4.5 and Section 6 of the report.

RECOMMENDED TO COUNCIL

That the revised Constitution, as set out in the background paper to the report, including the significant alterations described in section 6 of the report, be approved.

227 **Public Spaces Protection Order Chichester City Centre**

Referring to minute 186 of 12 April 2016, the Cabinet considered the report and appendices circulated with the agenda (copies attached to the official minutes).

Mr Barrow introduced the report, reminding the Cabinet of their previous consideration of this matter. The proposed Public Spaces Protection Order (PSPO) that had been the subject of consultation had covered two behaviours, namely street drinking and illegal street trading, and the city centre area covered by the existing Designated Public Place Order (DPPO).

The results of the public consultation were set out in Appendix 1. Almost half of respondents had agreed that street drinking needed to be tackled. However, only 30% had agreed that illegal street trading needed to be tackled, with 52% disagreeing.

However, he was concerned that respondents may not have understood exactly what illegal street trading was. East Street and North Street were consent streets. This meant that markets and other licensed activities were legal. Licensed pedlars were also not trading illegally, provided that they conformed to the conditions of their licence, which required them to be on the move. Illegal street trading was a matter of concern to Chichester City Council, and members of the District Council had previously complained and sought more effective enforcement. It was also unfair on those who traded legally.

Mr Foord (Licensing Manager) reported that the consultation had generally implied that the extent of the PSPO should be the same as the existing DPPO. He explained that the sanction for breach of the PSPO was a fixed penalty of £100 or a level 3 fine (up to £1,000) on prosecution in a Magistrates Court. He explained how a PSPO would apply to illegal street trading. In reply to a question about burden of proof, he replied that the PSPO had been carefully drafted to reflect experience elsewhere, being very specific so that proof could be provided by photographic evidence and timing with a stop watch.

In debate, Cabinet members felt that illegal street trading should be covered in the proposed PSPO, as a control mechanism which could be used where appropriate, but it was not the Council's intention that it should be applied in a heavy-handed way.

With the Chairman's permission, Mr Plowman asked whether consideration could be given to including Henty Field within the area of the PSPO. He was advised that this would require further consultation and evidence. The PSPO would be reviewed in 2017, when the existing dog control orders needed to be replaced, and inclusion of Henty Field could be considered then.

RESOLVED

- (1) That a Public Spaces Protection Order be made relating to the behaviours and geographical area set out in appendices 2 and 3.
- (2) That the current delegation to the Head of Housing and Environment Services and the Head of Community Services be amended to authorise the use of all enforcement powers included in the Anti-Social Behaviour, Crime and Policing Act 2014, including the use of Community Protection Notices and Fixed Penalty Notices for breaches of a Public Spaces Protection Order.

228 **Shared Services**

Referring to minute 143 of 9 February 2016, the Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mr Finch introduced the report and thanked Mrs Dodsworth and Mrs Shepherd for their energy and leadership of this joint project. He personally was a champion of the shared services model, believing it was the best way to deliver and modernise support services for the benefit of residents and the career prospects of staff.

He reminded the Cabinet of their previous agreement to investigate the business case for shared services of Revenues and Benefits, ICT, Customer Services, HR & Payroll, Legal, Internal Audit and transactional Financial Services with Arun and Horsham District Councils. He and the Chief Executive had been members of the overseeing Steering Group. The detailed work had been undertaken by a Project Board with project leads/directors, project assurance officers and chief financial officers of the three councils. The work had been supported by consultants to provide challenge. All workstreams had worked well, which boded well for the future of partnership working.

An early decision had been taken not to pursue a shared transactional finance service, but outline business cases for the other six services suggested that across all three councils savings of around £2m a year could be achieved. Although it was not clear yet how these would fall for individual councils, Chichester could benefit by about £400,000 a year. It was now proposed to progress to a detailed business case and project implementation plan for an integrated model of all six services being shared, as described in Section 6 of the report. This required a contribution of £25,000 each from all three councils.

Mrs Dodsworth endorsed Mr Finch's comments and added that regular meetings were held with the local branch of Unison. The Overview and Scrutiny Committee had considered a report at their meeting on 5 July and supported the recommendation.

RESOLVED

- (1) That detailed business cases and implementation plans be developed for all of the six service proposals.

(2) That a contribution of £25,000 from reserves be made towards the cost of a Project Manager and project support to develop the detailed business cases and implementation plan.

229 Council Tax Reduction Scheme and review of Council Tax locally defined discounts and premia for 2017/18

Referring to minutes 80 of 3 November and 103 of 1 December 2015, the Cabinet considered the report circulated with the agenda (copy attached to the official minutes).

Mrs Hardwick introduced the report, explaining that the Cabinet's approval was sought to:

- Consult on a new Council Tax Reduction Scheme, set out in full in Appendix 1
- Consult on changes to the Council Tax Discount scheme in relation to properties in need of or undergoing structural repair (known as Prescribed Class D properties)
- Prepare plans to phase out the council tax reduction grants to parish councils from 2017/18.

She reminded the Cabinet that the national council tax benefit scheme had been replaced in 2013 by local council tax reduction (CTR) schemes. National rules still applied to pensioners, but local schemes affected working age claimants. This Council's scheme had been virtually unchanged since first localised in 2013. It provided an important safety net for people on low incomes, but it was important to review the scheme to ensure it was well targeted, minimised disincentives to work and provided the best value for money for the benefit of all tax payers. Therefore, in this year's obligatory annual consultation it was proposed to consult on some possible changes to the CTR scheme. These were set out in Appendix 1 and covered adjusting the qualifying property bands and adjusting the percentage reduction across recipients.

The separate consultation on changes to the 100% Council Tax Discount for properties in need of or undergoing structural repair would explore whether there was any sound justification for this class D discount, whether and in what way changing it would affect the supply of housing and whether there would be any welfare impacts in reducing the discount that might outweigh the economic benefits from increasing the revenue.

The grant to compensate parishes for tax base lost since 2013 as a result of localisation of CTR was under ongoing review as the District Council's own funding was falling away as Revenue Support Grant disappeared. The current intention was that, as central government support tapered away and was due to fall to zero after 2017/18, the Council should reflect this in a tapered reduction to the parish grants, with the grant ceasing from 2020.

The Chairman pointed out that the Council's income from Business Rates was also at risk.

In answer to a question, Mrs Christie (Revenues Manager) explained that there was no legal definition of what constituted structural repair, and current decision making relied on previous case law. She went on to explain that for Chichester District Council, decisions regarding the definition of what constitutes structural repair represent the majority of appeals to the Valuation Tribunal.

Mrs Taylor welcomed the consultation on the Class D discount, pointing out that this had to apply for a full year, and it was quite possible to build a house in that time. The possible reduction in the discount would encourage owners to complete repairs quickly.

Mrs Keegan asked how Chichester's scheme compared with those of other councils, pointing out that some of the options would not result in a significant increase in revenue to the Council but could have serious consequences for individuals. Mrs Hardwick agreed that comparative information would be provided when the results of the consultations were reported back to the Cabinet in November.

RESOLVED

- (1) That the Head of Finance and Governance Services be authorised, following consultation with the Cabinet Member for Finance and Governance, to prepare and consult upon a draft 2017/18 council tax reduction scheme as proposed in appendix 1, to be brought back to Cabinet in November for recommendation to Council.
- (2) That the Head of Finance and Governance Services be authorised, following consultation with the Cabinet Member for Finance and Governance, to consult on the changes to the Prescribed Class D discount for 2017/18 as proposed in appendix 2.
- (3) That council tax discounts proposed in appendix 3 be brought back to Cabinet in November for the 2017/18 financial year.
- (4) That the principle of making a grant to Parish Councils in relation to the council tax reduction scheme be continued in 2017/18.
- (5) That Parish Councils be advised that it is the Council's intention to phase out the grant over the years 2017/18 to 2019/20.

230 Chichester Rugby Football Club- Amendment to Parking Order

The Cabinet considered the report circulated with the agenda (copy attached to the official minutes, except the exempt Appendix 2).

Mrs Keegan introduced the report. She explained that Chichester Rugby Football Club had recently invested in improving the Rugby Club Car Park. The Club now wished to introduce charging to cover the maintenance costs of the car park with any surplus income being used to repay loans for the recent improvements to the main clubhouse. This would make the car park publicly available. The proposed charges were roughly in line, but perhaps slightly cheaper, than the Council's other

out-of-town car parks. At present the car park was available for use by students, with a payment being made by the University. It would still be available for student parking on purchase of a season ticket.

Mrs Murphy (Parking Services Manager) added that the Highways Authority had approved the proposal. She would be discussing a contract with the Club whereby the Council's Civil Enforcement Officers provided enforcement. The parking ticket machines used by the Club would be coin only, but the Council was introducing a payment by phone method of parking payment for its own car parks. These changes would require an amendment to the existing Parking Order.

RESOLVED

- (1) That consent is given to Chichester Rugby Club introducing charges for parking in the Chichester Rugby Football Club Car Park, Oaklands Park, Chichester.
- (2) That the Head of Commercial Services be authorised to give appropriate notice of any revised changes to the Off-street Parking Places (Consolidation) Order 2016 and the Road Traffic Act 1984.

231 Exclusion of the Press and Public

RESOLVED

That the public, including the press, be excluded from the meeting for the following items 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.

232 The Novium Museum Options Appraisal

Referring to minute 142 of 9 February 2016, the Cabinet considered the report and appended draft Consultant's report circulated with the agenda.

Mrs Keegan introduced the report, and explained that the consultants report on options for the Novium Museum and Tourist Information Centre (TIC) had been received. However, it was felt that the consultants brief had not been wide enough and other options should be considered, including the appointment of a property consultant and architect to advise on possible adaptations and alternative uses for the Novium building. Meanwhile continued discussions would take place with charitable trusts and other potential providers of the Museum Service. This would enable a full suite of options to be presented to and considered by the Cabinet in October.

The Chairman commented that, although staff costs of the Novium were comparable with the previous Museum, building costs were high, especially depreciation,

business rates and energy costs. Mrs Keegan acknowledged this but explained that some cost saving initiatives were in hand.

Members asked that the next report should provide accurate separate figures for visitors to the Museum and to the TIC.

RESOLVED

- (1) That the further work on the Novium Museum Options Appraisal be completed to investigate options identified in 5.1 of this report.
- (2) That £25,000 be released for the appointment of a property consultant and architect to assist with the further work.

233 Plot 21, Terminus Road, Chichester

Referring to minute 142 of 9 February 2016, the Cabinet considered the report circulated with the agenda.

Mrs Keegan introduced the report, and reminded the Cabinet of previous consideration of this project. In June 2015, the Cabinet had approved a budget for the demolition of the existing building and redevelopment of this site with a single unit, subject to a pre-let agreement being in place before the new unit is built. Unfortunately, marketing of the site has failed to secure such a pre-let agreement. However, an offer had been received from a developer proposing to take a long lease to construct a five unit speculative industrial scheme. The Council had commissioned a market overview report from a local commercial agent whose report indicated that there was good demand for such units. It was, therefore, proposed that the Council should itself proceed with the development of a five-unit speculative development, but in two stages – initially to draw up a detailed design, obtain detailed planning permission and tender for construction, to be followed by a further report to Cabinet on current market conditions and expected return on investment before proceeding with a construction contract.

Mr Harrison (Strategic Asset Management Surveyor) added that, even if market conditions worsened and some units became hard to let or rents reduced, the expected return on investment was better than cash on deposit or the local authority property fund.

RECOMMENDED TO COUNCIL

- (1) That funding of the amount set out in recommendation 2.1(i) of the report be released from Capital Reserves to enable the detailed design, planning matters and pre-construction tender process to be progressed for a five unit scheme.
- (2) That the balance of the estimated total project cost is allocated from capital reserves and that, following the tender process, a report is brought back to Cabinet to review capital costs, return on investment, and prevailing condition of the property market before the budget is released to enter into a construction contract.

234 Land in Ellis Square, Selsey - Land Disposal

(Mr Barrow left the meeting)

Referring to minute 691 of 4 December 2014, the Cabinet considered the report and appendices circulated with the agenda, together with an update on one of the offers circulated on the day before the meeting.

Mrs Keegan introduced the report. She reminded the Cabinet that in December 2014 the Cabinet had agreed to the disposal of the whole of its 1.94 acre site at Ellis Square, Selsey. In April 2016, 0.5 acres of the site had been sold at market value to an adjoining business. Two offers had now been received in respect of the remaining 1.42 acres:-

- 1) An offer from the directors of Vetted Ltd (trading as Checkatrade) for 1 acre of the site for a restricted car parking use at a reduced valuation for that use.
- 2) An offer for the whole 1.42 acre site from the developer Contaframe at market value for a B1/B8 industrial scheme on this site.

In considering the options, the Cabinet received advice from the Economic Development Manager on the respective employment generation prospects of the two businesses, from the Strategic Asset Management Surveyor on the valuation of the land, and representations from Mr John Connor on behalf of local residents about the parking and road safety issues in Manor Road. The Cabinet also noted that the Checkatrade offer would leave the Council with a surplus 0.42 acres of land.

The Cabinet received legal advice that, in considering the disposal of land, the Council could only dispose of land for the best consideration that can be reasonably obtained in the market, except with the express consent of the Secretary of State (*section 123(1), Local Government Act 1972*).

Having considered all matters in the written material and oral advice presented to them, the Cabinet:

RESOLVED

- (1) That the sale or lease of the land in Ellis Square, Selsey (1.42 acres) to Contaframe for B1/B8 planning use on the terms set out in Appendix 3 (and summarised in paragraph 6 of this report) was the best consideration which Cabinet considered could reasonably be obtained in the market and was therefore approved.
- (2) That the Head of Commercial Services be authorised to approve the final terms of this disposal.
- (3) That, in the absence of Selsey Town Council applying for a Traffic Regulation Order, the Head of Commercial Services be authorised to apply for a Traffic Regulation Order for this area.

235 **Member Services Manager**

The Chairman drew the Cabinet's attention to the impending retirement of Mr Philip Coleman, Member Services Manager. He thanked and commended Mr Coleman for his service.

Mr Coleman thanked the Chairman for his remarks, and acknowledged that this would be the last Cabinet meeting he attended, a distinction he shared that day with the current Prime Minister.

The meeting ended at 12.25 pm

CHAIRMAN

Date: