

ARUN DISTRICT COUNCIL

**DECISION NOTICES FROM THE CABINET MEETING HELD ON
17 OCTOBER 2016**

REF NO.	DECISION
C/019/171016	Littlehampton Leisure Centre – Project Update
C/020/171016	Capital Project Prioritisation
C/021/171016	Revenue and Capital Outturn Expenditure 2015/16
C/022/171016	Financial Prospects 2016/17 to 2021/22
C/023/171016	Award of Contract – Banking Services 2017 to 2022
C/024/171016	Business Rates – Discretionary Relief; partly occupied relief
C/025/171016	Establishment of a wholly owned Local Authority Housing Company
C/026/171016	HRA Supplementary Estimate
C/027/171016	Review of delegation & Cabinet/Committee Structure
C/028/171016	Future of Joint Arun Area Committees
C/029/171016	Update on the Council's 2020 Vision

**PLEASE NOTE THAT THESE DECISIONS WILL COME INTO EFFECT
FROM 10.00 A.M. ON WEDNESDAY 26 OCTOBER 2016 UNLESS
THE CALL-IN PROCESS IS APPLIED**

REFERENCE NO: C/019/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Littlehampton Leisure Centre – Project Update	
OFFICER CONTACT: Rachel Alderson, Principal Landscape Officer Extn: 37946 rachel.alderson@arun.gov.uk e.mail:	

EXECUTIVE SUMMARY: This report updates Cabinet on progress toward the delivery of the new leisure centre, including site investigations and stakeholder engagement. The latest designs will be presented at the Cabinet meeting prior to the submission of the planning application.

DECISION:

As recommended in the report Cabinet,

RESOLVED - That

- (1) the outline design for the new leisure centre prior to the submission of the planning application be signed off, and
- (2) a grant application be submitted to Sport England for funding towards the leisure centre, should the Council be invited to do so, subject to the scheme meeting the requirements of the grant criteria.

REASON FOR THE DECISION: To meet the programme for the delivery of the new Littlehampton leisure centre by April 2019 and avoid incurring penalties associated with the Leisure Operating Contract.

OPTIONS CONSIDERED BUT REJECTED: To not approve the recommendations and risk delays to the project and the associated financial implications.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/020/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Capital Project Prioritisation	
OFFICER CONTACT: Alan Peach, Head of Finance & Property Extn: 37558 e.mail: alan.peach@arun.gov.uk	

EXECUTIVE SUMMARY: The Council has identified in its Medium Term Financial Strategy (MTFS), which is elsewhere on this agenda, potential additional capital funding sources to support its priorities. The range of possible new projects is substantial and the preliminary estimated costs continue to exceed the Council's ability to fund them all. There were a number of projects in last year's submissions that were phased; these phased schemes have been rolled forward. The report seeks to prioritise specific projects that can be delivered within available Council resources.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED – That

- (1) the specific projects for the Council to seek to deliver over the period 2017/18 – 2021/22 are identified in Appendix A at an estimated cost of £19.5m including the specific project of a new larger pool and sports centre for Littlehampton;
- (2) the inclusion in the draft 2017/18 budget of only those projects that are prioritised and scheduled to start in the new financial year and assess the affordability of the other potential projects and seek to identify any additional funds in the revision of the MTFS for any approved projects that are indicated as having the potential for delivery in subsequent years;
- (3) a report to review the project priorities for 2018/19 be brought back before Cabinet around the same time as the normal annual review of the Council's MTFS is carried out in 2017; and
- (4) delegated authority be given to the Council's Chief Financial Officer (s151) to approve invest to save schemes (following full financial appraisal) that can demonstrate clear financial benefits (reduction in net expenditure and are able to repay any debt plus interest), to be included in the 2017/18 or future years budgets (2.2).

REASON FOR THE DECISION: To set the Council's Capital Project Priorities for the next few years that support the Council's priorities and that are financially affordable and sustainable.

OPTIONS CONSIDERED BUT REJECTED: Alter the prioritised projects whilst remaining within the available Capital Funding in the MTFS or alter the prioritised projects for Capital funding allocations but also extend the amount available by considering prudential borrowing for those projects that can clearly demonstrate they can service any related debt and interest re-

payments.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION: None

DISPENSATIONS GRANTED : None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/021/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Revenue and Capital Outturn Expenditure 2015/16	
OFFICER CONTACT: Alan Peach, Head of Finance & Property Extn: 37558 e.mail: alan.peach@arun.gov.uk	

EXECUTIVE SUMMARY: The report provides a summary of revenue and capital outturn expenditure for 2015/16 and compares this expenditure with the approved budget.	
DECISION: As recommended in the report, Cabinet, RESOLVED – That (1) the attached outturn report in appendix 1, be considered; (2) the revenue and capital outturn expenditure and earmarked reserve transactions for 2015/16, be noted; (3) the level of balances and unused S.106 sums at 31 st March 2016, be approved; (4) a £805k contribution to the Littlehampton Leisure Centre earmarked reserve, be noted; and (5) a £1.203 million transfer to the Pensions Reserve be noted.	
REASON FOR THE DECISION: To ensure that Members are fully aware of the Council's outturn for 2015/16; and the level of reserves at 31 st March 2016, which will be available for use in future years.	
OPTIONS CONSIDERED BUT REJECTED: N/A	
CABINET MEMBER(S):	
DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None
CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None	

REFERENCE NO: C/022/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Financial Prospects 2016/17 to 2021/22	
OFFICER CONTACT: Alan Peach, Head of Finance & Property Extn: 37558 alan.peach@arun.gov.uk	e.mail:

EXECUTIVE SUMMARY: The Council's Medium Term Financial Strategy (MTFS) covering the period up to 2021/22 rolls forward the data in the existing approved MTFS. The strategy amends certain assumptions contained in it to reflect changes in the Council's circumstances and other issues that have a strategic bearing on the Council's financial prospects.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED – That

- (1) the core assumptions set out in the Medium Term Financial Strategy and the current financial position, be agreed;
- (2) Note and agree the significant risks to local government finance that have been clearly outlined in the report, be noted and agreed;
- (3) the Medium Term Financial Strategy is to be used to set the Budgetary framework in preparing the 2017/18 budget, and;
- (4) the submission of the Council's Efficiency Plan to the Government (Appendix 1), be noted.

REASON FOR THE DECISION: To formulate the Council's Medium Term Financial Strategy and set the financial context and framework for decisions to be taken by the Council

OPTIONS CONSIDERED BUT REJECTED: To not accept the assumptions outlined in the strategy

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION: None

DISPENSATIONS GRANTED : None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/023/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Award of Contract - Banking Services 2017 to 2022	
OFFICER CONTACT: Sian Southerton, Senior Accountant (Treasury) Extn: 37861 e.mail: sian.southerton@arun.gov.uk	

EXECUTIVE SUMMARY: The Council's contract for corporate banking services was tendered in accordance with current procurement legislation and Standing Orders. The report provides a brief summary of the procurement process and details the results of the tender evaluation. A recommendation for the award of the contract is provided based on the results of the tender evaluation process. An Open (one stage) OJEU tender process was followed. The contract was evaluated, using a; 40% price and 60% quality matrix.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED

that the award of the Banking contract to the highest scoring tender (Supplier A) being the Most Economically Advantageous Tender to provide the corporate banking service for a period of 5 years from 1st April 2017, with an option to extend for up to a further 5 years, be noted.

REASON FOR THE DECISION: To ensure compliance with the Councils' Standing Orders relating to Purchasing, Procurement, Contracts and Disposals.

OPTIONS CONSIDERED BUT REJECTED: Not to award the banking services contract.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
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DISPENSATIONS GRANTED :	None
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CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/024/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Business Rates – Discretionary Relief; partly occupied relief	
OFFICER CONTACT: Iain Bell, Revenues Manager	
Extn: 37633	e.mail:
iain.bell@arun.gov.uk	

EXECUTIVE SUMMARY: Under Section 44a of the Local Government Finance Act 1988 discretionary rate relief may be granted where a property is partly occupied for a temporary period. It is the local authority which has discretion whether to grant relief. As local authorities receive a significant share of business rate income under the rates retention scheme the award of section 44a relief in respect of a high valued property carries significant cost implications for the Council.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED

that with effect from 1st April 2017 limit the gross rateable value before any proposed section 44a changes are considered, to £12,000. Properties with a rateable value (RV) of over £12,000 will not be eligible for relief. Only in exceptional circumstances will the application be considered by a relevant Director, in consultation with the Head of Finance and Property, if the value exceeds this amount.

REASON FOR THE DECISION: A recent case 'cost' the council a significant sum. A policy decision of this nature may reduce the likelihood of applications being made in future from large organisations.

OPTIONS CONSIDERED BUT REJECTED: no change / propose a different rateable value level.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/025/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Establishment of a wholly owned Local Authority Housing Company	
OFFICER CONTACT: Andy Elder, Housing Strategy & Delivery Manager Extn: 37714 andy.elder@arun.gov.uk e.mail:	

EXECUTIVE SUMMARY: As part of the Council's 2020 Vision Programme, a Cabinet Working Party (CWP) has been reviewing various documents for creating a Wholly Owned Local Authority Housing Company/s (WOLAHCo). The purpose of the Company/s would be to develop residential housing and other appropriate schemes to generate an additional income stream for the authority via company dividends. The company would operate independently from the Council on a commercial basis with its own Board of Directors appointed by Cabinet.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED - That

- (1) the principle and purpose of establishing a wholly owned local authority housing company (WOLAHCo) subject to the production and approval of a satisfactory business case, be agreed; and
- (2) the Company objectives as agreed by the Cabinet Working Party and set out in paragraph 2.14 of this report, be approved.

As recommended in the report, the Cabinet,

RECOMMEND TO FULL COUNCIL – That

- (1) Full Council approve a supplementary estimate of up to £130,000 (equating to a Band D Council Tax of £2.25) to cover the costs of setting up the Shadow Board and the Company which includes all the necessary legal, financial and due diligence checks which must be completed to a satisfactory standard and externally audited if deemed necessary by the Chief Executive, and;
- (2) that the Council's constitution be amended to explicitly include in the terms of reference for the Cabinet, in its role to oversee the activity of any separate legal entity within which the Council has an ownership interest.

REASON FOR THE DECISION: To provide the in principle authority to establish a housing company wholly owned by the Council. Subsequent permissions will be required before the company can commence trading.

OPTIONS CONSIDERED BUT REJECTED: To not create a Housing Company	
CABINET MEMBER(S):	
DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None
CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None	

REFERENCE NO: C/026/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: HRA Supplementary Estimate	
OFFICER CONTACT: Brian Pople, Head of Housing Extn: 37718 brian.pople@arun.gov.uk	e.mail:

EXECUTIVE SUMMARY: This request seeks Cabinet Approval for a HRA Supplementary Estimate of up to £691,000 to be spent on acquiring properties. The expenditure will ensure the amount of '1 for 1' receipts identified for expenditure by December 2016 is committed.

DECISION:

As recommended in the report, the Cabinet,

RECOMMEND TO FULL COUNCIL – That

- (1) a HRA Supplementary Estimate of up to £691,000 is approved to purchase properties up to a total value of £691k. The supplementary estimate equates to a weekly rent of £3.93 per dwelling.
- (2) authority be delegated to the Cabinet Member for Housing, Head of Finance and Property, and Head of Housing to approve the purchase of property up to the total value of £691k.

REASON FOR THE DECISION: To approve a Supplementary Estimate of £691,000, which will support purchase of ex Council Right to Buy or Shared Ownership properties, which will ensure that the "1 for 1" Receipts for December 2016 are committed.

OPTIONS CONSIDERED BUT REJECTED: Not to proceed with the Supplementary Estimate and acquire ex Council Right to Buy or Shared Ownership properties up to the value of £691k.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION: None

DISPENSATIONS GRANTED : None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/027/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Review of delegation & Cabinet/Committee Structure	
OFFICER CONTACT: Liz Fitcher, Head of Democratic Services Extn: 37610 e.mail: liz.fitcher@arun.gov.uk	

EXECUTIVE SUMMARY: As part of the Vision 2020, a Cabinet Working Party was established at the Cabinet meeting on 21 March 2016 to undertake a review of the levels of delegation to Committees and Officers; and to review the current Cabinet/Committee structure. The Working Party is close to concluding the two stages of its work and this report presents its recommendations.

DECISION:

As recommended in the report, the Cabinet,

RESOLVED – That

(1) A review of the Constitution relating to the following sections be undertaken by the Chief Executive, in consultation with the Head of Legal & Administration, and recommendations for change be reported to the Constitutional Review Working Party:-

- a. Article 12.5 – Functions of the Chief Financial Officer
- b. Article 13 – Decision Making (Trigger level in key decisions)
- c. Scheme of Delegation (Section 2, Finance & Property)
- d. Budget and Policy Framework
- e. Financial Rules

(2) The notes of the meetings of the Cabinet Working Party held on 5 April, 11 May and 28 September 2016 be noted.

As recommended in the report and amended at the meeting, the Cabinet,

RECOMMEND TO FULL COUNCIL – That

1. No change is made to the present decision making structure of the Council (the Cabinet system) as no overwhelming financial or democratic accountability arguments were evident to support reverting back to a Committee system.
2. The following triggers/processes for decision making form the basis of revised Financial Regulations in the Council's Constitution:-
 - 1) Approval route for spending Section 106 (S106) contributions
Based on the agreed S106 Agreement, where Arun is spending the money:

Trigger	Delegation to
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Up to £100,000	Relevant Individual Cabinet Member
Over £100,000	Cabinet – request to be made through Budget Variation Report

2) Financial approvals

a) Responsibility for the corporate vacancy allowance to remain with the Corporate Management Team (CMT)

b) Virements of expenditure within budget:

Trigger	Delegation to
Up to £50,000	Chief Executive, relevant Director or Group Head
£50,001 - £100,000	Section 151 Officer
Over £100,000	Individual Cabinet Member

c) Supplementary estimates outside of budget:

Trigger	Delegation to
Up to £50,000	Chief Executive or relevant Director to meet by virement within existing resources
£50,001 - £100,000	Cabinet – request to be made through Budget Variation report and then Full Council
Over £100,000	Cabinet and then Full Council – individual report from relevant Director/Group Head

i. Changes to also be made to the Constitution to allow supplementary estimates to be reported directly to Full Council when referral via Cabinet would cause an unreasonable delay to a project, subject to the Financial Implications section on the report being completed by the Section 151 Officer.

3) Drawing down of funds

a) Grants/funding from external sources to be approved based on the following process:

i. Only one report is needed to Cabinet/relevant Regeneration Committee seeking support to

- grant/funding application.
- ii. This will include an additional recommendation that, subject to the application being successful: *“seeks authority for the relevant Director or Chief Executive, in consultation with the Section 151 Officer and relevant Cabinet Member/Chairman of the Regeneration Sub-Committee, to agree the spending of the grant as implemented throughout the life of the project”*
 - iii. If required, updates on progress of the application and its implementation be made through Position Statements (this is mainly for the Regeneration Sub-Committees)
 - iv. If required, updates on significant areas of spend or changes to the terms of the grant/funding be included in the quarterly Budget Monitoring Report
- b) For other specific grants from external sources, where there is no further monitoring of expenditure:
- i. Updates to be included in the quarterly Budget Monitoring Report, as required
- c) Following approval of contingency and reserve budgets by Full Council, drawing down funds from contingency budgets and earmarked reserves:

Trigger	Delegation to
Up to £100,000	Chief Executive, relevant Director or Group Head in consultation with Section 151 Officer
£100,001 - £200,000	Individual Cabinet Member
Over £200,000	Cabinet – individual report from relevant Director/Group Head

- i. Plus updates to be included in the quarterly Budget Monitoring Report for expenditure up to £100,000
- d) Grants to organisations, including discretionary rate relief:
- a) Grants register to be established and maintained on the web to include
 - i. Source of funding
 - ii. Grants awarded
 - iii. Any declarations of interest by Members & Officers
 - b) Grant allocation to be based on
 - i. Criteria being agreed in advance by Individual Cabinet Member

ii. Once agreed, allocations to be based on:

Grant	Delegation to
Up to £5,000 (per organisation)	Relevant Director, Chief Executive or Group Head
Over £5,000	Individual Cabinet Member

3. The triggers to be implemented with immediate effect.

4. The Head of Legal & Administration be authorised to make the consequential changes to the Constitution ahead of the further review.

REASON FOR THE DECISION: To determine whether the existing delegation levels and current decision making structure is still fit for purpose and will work within the capacity of the new organisation as agreed in the Vision 2020.

OPTIONS CONSIDERED BUT REJECTED: To not agree the recommendations

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION: None

DISPENSATIONS GRANTED : None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/028/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Future of Area Committees	
OFFICER CONTACT: Paul Askew, Head of Policy & Partnerships Extn: 37515 e.mail: paul.askew@arun.gov.uk	

EXECUTIVE SUMMARY: West Sussex County Council have proposed that there are changes to the Area Committees from April 2017. This report welcomes the changes and as part of the Vision 2020 proposes withdrawing the £75000 in grant funding to the Area Committees and to reduce the administration costs that we pay WSCC by £3000. The report also proposes a payment of £500 to the Arun District Association of Local Councils (ADALC) for 2017/18 to assist them in the administration of their organisation.

DECISION:

As recommended in the report, the Cabinet,

RECOMMEND TO FULL COUNCIL – That

- (1) the Council welcomes and supports the reduction in Area Committees from three to two and the reduction in meetings from 12 per year to 6 from April 2017;
- (2) the Council withdraws £75000 in grant funding to the Area Committees from April 2017;
- (3) the Council reduces the administration grant that is currently paid to WSCC for the Area Committees from £7500 to £4000 from April 2017, and;
- (4) the Council pays a grant of £500 to the Arun District Association of Local Councils (ADALC) for 2017/18 to assist them in the administration of their organisation.

REASON FOR THE DECISION: The need to review our participation in the Area Committees in the light of the need to make savings.

OPTIONS CONSIDERED BUT REJECTED: To withdraw from the Area Committees and seek alternative ways of liaising with Towns and Parishes.

CABINET MEMBER(S):

DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None

CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None

REFERENCE NO: C/029/171016

FULL CABINET DECISION	YES
URGENT DECISION IN ACCORDANCE WITH RULE 14.11 OF THE SCRUTINY PROCEDURE RULES	NO
SUBJECT: Update on the Council's 2020 Vision	
OFFICER CONTACT: Nigel Lynn, Chief Executive Extn: 37600 nigel.lynn@arun.gov.uk	e.mail:

EXECUTIVE SUMMARY: The Council agreed its 2020 Vision at its Full Council meeting on 20 July 2016. This report provides an update on <u>some</u> of the projects, including the management restructure.	
DECISION: As recommended in the report, the Cabinet, RECOMMEND TO FULL COUNCIL that Council notes the update to the 2020 Vision programme and, in particular, progress on the management restructure (project number V31) under the principle of "becoming smaller and more effective".	
REASON FOR THE DECISION: To enable the Council to agree its 2020 vision for the future and to help ensure that the Council becomes more effective and sustainable, to meet the future demands placed upon it. At the same time, it is imperative that the Council moves as close as possible to a balanced revenue budget with minimal or no use of Council balances to support it.	
OPTIONS CONSIDERED BUT REJECTED: To note the report only.	
CABINET MEMBER(S):	
DECLARATION OF INTEREST BY CABINET MEMBER(S) RESPONSIBLE FOR DECISION:	None
DISPENSATIONS GRANTED :	None
CONFLICT OF INTERESTS DECLARED BY A CABINET MEMBER CONSULTED IN RESPECT OF THIS DECISION: None	