

CABINET

17 July 2017 at 5.00 pm

Present : Councillors Mrs Brown (Chairman), Bence, Charles, Clayden, Haymes and Wotherspoon.

Councillors Buckland, Cooper, Edwards, Elkins and Mrs Oakley were also in attendance for all or part of the meeting.

99. WELCOME

The Chairman welcomed Councillors, representatives of the public, press and officers to the meeting.

100. APOLOGY

An apology for absence had been received from Councillor Wensley.

101. DECLARATIONS OF INTEREST

The Monitoring Officer has advised Members of interim arrangements to follow when making declarations of interest. They have been advised that for the reasons explained below, they should make their declarations on the same basis as the former Code of Conduct using the descriptions of Personal and Prejudicial Interests.

Reasons

- The Council has adopted the government's example for a new local code of conduct, but new policies and procedures relating to the new local code are yet to be considered and adopted.
- Members have not yet been trained on the provisions of the new local code of conduct.
- The definition of Pecuniary Interests is narrower than the definition of Prejudicial Interests, so by declaring a matter as a Prejudicial Interest, that will cover the requirement to declare a Pecuniary Interest in the same matter.

Where a Member declares a "Prejudicial Interest" this will, in the interest of clarity for the public, be recorded in the Minutes as a Prejudicial and Pecuniary Interest.

There were no declarations of interest made.

102. MINUTES

The Minutes of the meeting held on 19 June 2017 were approved by the Cabinet as a correct record and signed by the Chairman.

Cabinet – 17.07.17.

103. BUDGET VARIATION REPORT

There were no items for this meeting.

104. LITTLEHAMPTON LEISURE CENTRE AWARD OF CONTRACT

The Chairman introduced the Littlehampton Leisure Centre report, commending the project as a fantastic prospect for the District. Praise was given to the Project Management team for their adoption of a coordinated and fast paced approach from the initial vision to expected fruition. The Chairman welcomed the Littlehampton Leisure Centre as a project that would meet one of the Council's priorities of providing quality leisure services for residents whilst supporting the health and wellbeing of the community.

Cabinet then received a report and a comprehensive presentation from the Principal Landscape Officer that sought approval for the award of contract for the main construction work, the allocation of budgets to fund the project and expenditure of external funding.

A project update was provided outlining:

- pre-construction phase
- In a change to the report, it was advised that the latest discharge of conditions application would now be considered at the Development Control meeting on 23 August rather than on 19 July 2017.
- site preparation – following the discovery of a collapsed sewer in the car park of the existing Leisure Centre, Southern Water had continued to carry out essential repair works. It was reported that the enabling works commenced at the end of June 2017 for a period of approximately 9 weeks
- stakeholder engagement – this was reported as having been extremely positive and, through regular correspondence with local residents, feedback had been received that this had been greatly appreciated and had helped to alleviate concerns.
- Budget & Tender – the overall costs had increased due to the unique circumstances of the project and it was important to note that the prices that had come in following the tender process did reflect the market conditions.
- Provision had been made to include a sauna in line with requests received from members of the public. Low carbon technologies would also be included as part of the project.
- Due to the economic uncertainty at the present time, the Council would need to go into the construction phase with a contingency to allow for unforeseen eventualities.
- The Project Team was close to finalising the final contract figure but was still in a period of negotiation to ensure the best possible

value for money. At this stage, it was proposed to award the main contract to Willmott Dixon Construction up to the value within the approved budget. The additional budget required would be subject to approval of a supplementary estimate at Full Council (the details of figures were currently commercially sensitive but would be presented at Full Council).

In conclusion, the Principal Landscape Officer was pleased to inform the meeting that the application that the Council had submitted to Sport England in June had been successful and, subject to agreeing terms and conditions, it was proposed that the Council enters into a contract with Sport England.

In opening up the debate, the Leader welcomed the news that Sport England had approved the Council's application for funding and was also pleased that the provision of a sauna had been included in the design.

It was highlighted that the recommendation to Full Council that "the full cost of delivering the leisure centre project be underwritten should the application to the Sport England Strategic Facilities Fund be unsuccessful" needed to be retained until the terms and conditions associated with the grant from Sport England were finalised and agreed.

All Members were positive in their comments and the Project Team was complimented for their impressive efforts in achieving such a lot in a short space of time.

The Cabinet agreed the recommendations as set out in the report and then confirmed its decision as per Decision Notice C/007/170717, a copy of which is attached to the signed copy of the Minutes., and

#### RECOMMEND TO FULL COUNCIL – That

- (1) a supplementary estimate for the remaining cost of delivering the new leisure centre project (the final figure to be confirmed at Full Council) be approved;
- (2) the final contract sum for the delivery of the new leisure centre (to be confirmed at Full Council) be noted; and
- (3) the full cost of delivering the leisure centre project be underwritten should the application to the Sport England Strategic Facilities Fund be unsuccessful.

Cabinet – 17.07.17.

#### 105. PROPERTY INVESTMENT STRATEGY

In the light of prolonged and continuing austerity being faced by local government, the Property & Estates Manager presented this report which set out proposals for implementing a Property Investment Strategy as a means of generating income streams to replace the shortfalls in government funding being experienced by the Council.

Members were advised that the Properties and Estates Section was in the process of completing an on-going review of the Council's land and property assets in order to establish the extent to which assets should be retained, disposed of or amended. The purpose of this would be to bring assets into line with the Council's policies and requirements and to ensure, where possible, that good market performance was achieved.

A large factor in the review revolved around the performance of leases. It was highlighted that many of the Council's leases were historic and it would not always be possible to vary these unless both parties were in agreement. However, where possible, work was being undertaken to try and bring them up to date and secure best value for the Council.

The proposal on the table was to set up a Property Investment Fund, which would not require any external borrowing and all funds generated would be raised solely through disposal of existing general fund Council owned land and property. The fund would be ring fenced and sit within the Property & Estates budget and, once funds were in place, the Council would then look to pursue the purchase of investment properties on the open market.

In addition, it was proposed that the Council's Constitution be amended to delegate appropriate authority to allow matters to proceed so the Council could respond swiftly to the market and opportunities presented. The Property & Estates Manager tabled at the meeting an additional recommendation relating to the Constitution as follows:-

“Authority to approve the acquisition of commercial properties from the Property Investment Fund of a value between £750,000 and the maximum value of the Property Investment Fund per acquisition be delegated to a Property Investment Board comprising the Leader of the Council, Cabinet Member for Technical Services, Section 151 Officer and the Director of Place, subject to a viable business case.”

In discussing the matter, the Leader was of the view that this was a good approach as the Council did have to find ways to increase its income streams. The Cabinet supported the proposal and thanked the Property & Estates Manager for his well presented report.

Following consideration, the Cabinet agreed the recommendations in the report, together with the additional recommendation detailed above, and

confirmed its decision as per Decision Notice C/008/170717, a copy of which is attached to the signed copy of the Minutes, and

**RECOMMEND TO FULL COUNCIL – That**

(1) the broad principles of the Property Investment Strategy be approved;

(2) the establishment of a Property Investment Fund (as outlined in the report) to support the achievement of the objectives outlined in the Property Investment Strategy be approved;

(3) the Constitution be amended to:-

a) delegated authority be given to the Director of Place in Part 4 (Officer Scheme of Delegation) Section 2, Paragraph 4.0 to read:

“Authority to approve the acquisition of commercial properties from the Property Investment Fund up to a maximum value of £750,000 per acquisition in consultation with the Cabinet Member for Technical Services and the Section 151 Officer, subject to a viable business case.

b) add a new paragraph to Part 6, Section 5 (Financial Procedure Rules) at Regulation 3 (Proposals to Incur Expenditure or Reduce Income) to read:

Authority to approve the acquisition of commercial properties from the Property Investment Fund of a value between £750,000 and the maximum value of the Property Investment Fund per acquisition be delegated to a Property Investment Board comprising the Leader of the Council, Cabinet Member for Technical Services, Section 151 Officer and the Director of Place, subject to a viable business case.”

c) the Group Head of Council Advice and Monitoring Officer be authorised to make any consequential amendments to the Constitution; and

(4) the processes and procedures for approving, reporting and monitoring the investments made via the Property Investment Fund, be approved.

**106. ARUN WELLBEING HEALTH PARTNERSHIP – 21 JUNE 2017**

The Cabinet received and noted the Minutes of the meeting of the Arun Wellbeing Health Partnership held on 21 June 2017.

Cabinet – 17.07.17.

107. HOUSING & CUSTOMERS SERVICES WORKING GROUP – 6 JULY 2017

The Cabinet considered the Minutes of the meeting of the Housing & Customer Services Working Group held on 6 July 2017.

The Cabinet Member for Residential Services requested Members' support for the recommendation relating to the Flexible Homelessness Support Grant and this was agreed.

The recommendation to Full Council regarding Bed & Breakfast Payments – Budget Increase for 2017/18 was also agreed and the Cabinet then confirmed its decision as per Decision Notice C/009/170717, a copy of which is attached to the signed copy of the Minutes, and

RECOMMEND TO FULL COUNCIL

That an increase in the Bed & Breakfast Budget for 2017/18 from £360,000 to £550,000 be approved.

108. ENVIRONMENT & LEISURE WORKING GROUP – 17 JANUARY 2017

Due to an administrative error, the Minutes of the Environment & Leisure Working Group held on 17 January 2017 had not been formally agreed by the Cabinet.

Following consideration and comment from the Cabinet Member for Neighbourhood Services that he supported the recommendations, the Cabinet confirmed its decision as per Decision Notice C/010/170717, a copy of which is attached to the signed copy of the Minutes.

(The meeting concluded at 17.50 pm)