

**Minutes of the Meeting of the Mid Sussex District Council Cabinet
held on 19 February 2018
from 4.00 p.m. to 4.47 p.m.**

Present: Councillors: Jonathan Ash-Edwards, Andrew MacNaughton, Gary Marsh, Garry Wall (Leader), Mandy Thomas-Atkin and Norman Webster.

Also present: None.

Officers: Kathryn Hall, Judy Holmes, Tom Clark, Peter Stuart, Simon Hughes, Alex Austin and Hamish Evans.

1. DECLARATIONS OF INTEREST

Cllr Ash-Edwards declared a prejudicial interest in item 6, specifically the Capital Project of Hurst Farm, as he is a Governor at Warden Park Primary Academy which is expected to manage the proposed Primary School on the site. He stated that he would withdraw from the meeting and the vote on this item.

2. APOLOGIES

None.

3. MINUTES

The minutes of the meeting held on 15 January 2018 were agreed as a correct record and signed by the Leader.

4. URGENT BUSINESS

None.

5. BUDGET MANAGEMENT 2017/18 – PROGRESS REPORT APRIL TO DECEMBER 2017.

The Leader confirmed that Cabinet would discuss the item in two parts, discussing paragraphs 1 to 29 with the Deputy Leader present and then discussing paragraphs 30 to 66 once the Deputy Leader had withdrawn for the meeting.

Peter Stuart, Head of Corporate Resources, introduced paragraphs 1 to 29 of the report which outlined the Council's current expenditure and income. He confirmed that there is a forecast overspend of £14,000 by year end however it is expected that this would reduce and possibly change to an underspend through focussed financial management by the end of the financial year.

The Leader stated that it was a positive sign that the overspend had been greatly reduced.

The Cabinet Member for Service Delivery also expressed how he was pleased that the Council had reduced the overspend to just £14,000.

The Deputy Leader and Cabinet Member for Resources and Economic Growth said he was pleased to see progress to narrow the overspend. He added that he was also pleased to see the British Heart Foundation electric and textile recycling project.

He also mentioned that it was positive to see a good take-up of the Waste and Recycling projects listed in paragraph 25.

The Leader said that managing Council expenditure with changing customer demands and service pressures was a difficult task however the report shows that the Council is managing it effectively.

[Cllr Ash-Edwards withdrew from the meeting]

The Head of Corporate Resources introduced the rest of the report which detailed the current and projected Capital Spending and current Treasury Management Interest. Turning to paragraphs 46 to 49 it was mentioned that to date the Asset Management Reserve has been used to fund work needed to bring forward Hurst Farm for development.

The Head of Corporate Resources reminded Members that a Planning application was made in July 2017 and added that it would seem appropriate now to set up a dedicated capital project for the reasons given in para 51.

It was stated that paragraphs 46 to 49 set out the arrangements that have existed between the parties that own the land known as Hurst Farm and are now involved in bringing forward this site with the intention of delivering housing.

Members' attention was drawn to paragraph 49 particularly.

The Leader commended the officers as he felt there was much of merit in the report. He drew attention to Table 4 on Page 17 of the report illustrating the range of projects being undertaken. He also said that all Cabinet Members had received emails from a member of the public concerning Hurst Farm and that they had all carefully considered the contents of the emails.

The Cabinet Member for Service Delivery provided an update on the Worlds End Recreation Ground project which has finished its consultation stage. He stated that a huge amount of work had gone into the project where the aim is to improve the experience for the residents of Mid Sussex and he commended the work of officers in taking the projects forward.

The Cabinet Member for Community expressed how pleased he was to see that there had been an increase in funding the Disabled Facility Grants especially compared to when he first started as a Councillor. The funding allows for disabled individuals to be discharged from hospital sooner and allows them to become more independent in their own homes. He also drew attention to the Mount Noddy Pavilion which will have significant refurbishment in the near future, stating that these projects contribute to Mid Sussex being one of the best places to live.

The Cabinet Member for Customer Services stated that she recently attended a presentation by the Mid Sussex Wellbeing team which explained how people can access the Disabled Facility Grants.

The Cabinet Member for Housing and Planning said that it was heart-warming to see the benefits of the Finches Field project as it is located in his village. He found it positive that there were lots of volunteers ready to help and how a project like this draws the community together.

The Cabinet Member for Community said he had read carefully the emails from a member of the public concerning Hurst Farm and enquired how the Hurst Farm site came into the ownership of MSDC.

The Head of Corporate Resources confirmed that the site was acquired in 1996 and had since been used as farm meadow land and pasture by way of grazing licenses. He stated that there had been no public access to the land since that time

The Cabinet Member for Customer Services again referring to emails from a member of the public, sought reassurance about the procurement process.

The Head of Corporate Resources directed the Cabinet Member to paragraphs 47 to 49 of the report. This sets out the arrangements that exist between the various parties who own the land and who are involved in bringing the site forward for delivery of housing. He added that the Council is in a unique position that arises as one of the other owners is a property development company. The Cabinet is asked to agree to a joint approach on this project.

The Leader also referred to emails from the member of the public and enquired how work to date had been funded.

The Head of Corporate Resources confirmed that the Council has had an Asset Management Reserve since 2012 for the purpose of financing the cost of bringing sites forward for development. The initial sum of £100,000 was allocated to the reserve at Outturn 2011/12 and has been topped-up annually. He confirmed that the Council has expended roughly £134,000 in the current financial year. This has all been made in accordance with the Memorandum of Understanding (MoU) with Cross Stone and the other landowners as outlined in paragraph 47.

The Head of Corporate Resources added that for ease of administration, the Council arranged the payment of the Planning Application fee and this had then been recharged to the other land owners, again, in accordance with the MoU .

The Leader referred to email correspondence and supplemented his question by seeking reassurances about the governance and controls for expenditure and accounting for this work.

The Head of Corporate Resources confirmed that with regard to the seriousness of the statements in the email he must clarify that in previous years expenditure forms part of the overall statement of accounts which are of course audited each year. The External Auditor has given his opinion on those accounts which is 'unqualified' as is well known.

He added that all the transactions entered into the accounts are bona fide and have been accurately accounted for in previous financial years against the Reserve mentioned earlier. He stated that there is absolutely no question that Officers have acted improperly in so doing

The Leader then moved to the recommendation to approve which was agreed unanimously.

RESOLVED

Cabinet recommend to Council:

- i. That £28,675 be transferred to Specific Reserve as detailed in paragraph 22;

- ii. That £9,202 be transferred to Specific Reserve as detailed in paragraph 23;
- iii. That £37,930 be transferred to Specific Reserve as detailed in paragraph 24;
- iv. That £83,403 be transferred to Specific Reserve as detailed in paragraph 25;
- v. That windfall income as set out in paragraph 26 of this report be transferred to General Reserve;
- vi. That £14,176 be transferred to Specific Reserve as detailed in paragraph 27;
- vii. That £734,696 is transferred from the funds earmarked for 'SAMM in perpetuity' within General Reserve to the SAMM fees Specific Reserve as detailed in paragraphs 28 & 29;
- viii. The variations to the Capital Programme contained in paragraph 54 in accordance with the Council's Financial Procedure rule B4

To confirm agreement to:

- ix. The joint approach to bringing forward the housing site at Hurst Farm, Haywards Heath as detailed in paragraph 44 on;

To note:

- x. The remainder of the report

[Cllr Ash-Edwards returned to the meeting]

6. DRAFT CORPORATE PLAN AND BUDGET 2018/19

Peter Stuart, Head of Corporate Resources introduced the report which asks Cabinet to recommend to Council the Corporate Plan and Budget 2018/19. He confirmed that the report was scrutinised at the Scrutiny Committee for Leader, Resources and Economic Growth.

The Leader stated that the report builds on a long history of prudent financial management at Mid Sussex with one of the lowest Council Tax rates in Sussex. He added that he recently wrote to the local paper explaining why the Council intends to raise Council Tax rates for the 2018/19 year and received limited response to it. Following this, he believes that there is a good public understanding about the proposed Council Tax increase.

The Deputy Leader outlined that in the last few years revenue from central government has reduced from £6,000,000 to zero. However increasing income and controlling costs by the Council has allowed it to make wise investments such as granting funds for community projects, protecting the most vulnerable in society and expanding the Economic Growth team to cope with the service demands. He also said that a major challenge for the Council in the future will be negative Revenue Support Grant (RSG).

The Cabinet Member for Community was pleased that the negative RSG issue was mentioned and that the Secretary of State had indicated that the Government would be looking into the issue. He drew attention to the recent management re-structure which had improved efficiency and made better use of Council Tax money. He outlined that the Council has a strong economic position against difficult national challenges.

The Cabinet Member for Customer Services expressed her delight that the Council has been able to protect key front-line services whilst also improving them and stated that there are a growing number of people completing online forms on the Mid Sussex website which she gives her full support to.

The Leader stated that the Corporate Plan and Budget is something that the Council can be proud of. It shows that the Council is not only investing internally but also investing externally such as supporting the voluntary sector. He added that at a recent visit to the Secretary of State for Housing, Communities and Local Government, Mid Sussex District Council was commended as well managed.

The Leader then moved to the recommendation to approve which was agreed unanimously.

RESOLVED

Cabinet recommended the proposals for 2018/19 as set out in the report to the Scrutiny Committee and as amended by this report, to Council, specifically:

- i. The overall direction and service levels promoted within the draft Corporate Plan;
- ii. The proposed increase in Council Tax;
- iii. The proposed placements in the Specific Reserves;
- iv. The proposed Capital Programme; and
- v. The service commentaries and supporting summary budget tables for each business unit.

Meeting Closed at 4:47

Chairman.