

MINUTES

CABINET

29 APRIL 2014

Present:

Members:

Councillors:

Neil Harden	Portfolio Holder for Residents and Regulatory Services
Julie Laws	Portfolio Holder for Environment and Sustainability
Nick Tiley	Portfolio Holder for Finance and Resources
Andrew Williams	Leader of the Council / Portfolio Holder for Planning and Regeneration

Officers:

Sally Marshall	Chief Executive
Mark Gaynor	Corporate Director (Housing and Regeneration)
Martin Hone	Corporate Director (Finance and Operations)
Steven Baker	Assistant Director (Chief Executive's Unit)
James Doe	Assistant Director (Planning, Development and Regeneration)
Matt Rawdon	Group Manager (People)
Chris Taylor	Group Manager (Strategic Planning and Regeneration)
Rebecca Oblein	Team Leader (Economic Wellbeing Team, Strategic Planning and Regeneration)
Madeleine Taggart-Smith	Communications and Consultation Officer
Pat Duff	Member Support Officer

The meeting began at 7.30 pm.

CA/043/14 MINUTES

The minutes of the meeting held on 25 March 2014 were agreed by the members present and signed by the Chairman.

CA/044/14 APOLOGIES FOR ABSENCE

An apology for absence was received on behalf of Councillor M Griffiths.

CA/045/14 DECLARATIONS OF INTEREST

There were no declarations of interest.

CA/046/14 PUBLIC PARTICIPATION

There was no public participation.

CA/047/14 REFERRALS TO CABINET

There were no referrals to Cabinet.

CA/048/14 CABINET FORWARD PLAN

Decision

That the Cabinet Forward Plan be noted, subject to the following addition:

24 July 2014

The Bury – Museum Project – additional report.

CA/049/14 NATIONAL GRADUATE DEVELOPMENT PROGRAMME

Decision

That two graduates be recruited in 2014 from the National Graduate Development Programme.

Reason for Decision

To recommend that Council approve participation in the National Graduate Development Programme for 2014.

Implications

Financial

Graduate Development Programme (NGDP) posts for two years. It is proposed that one of the NGDP posts would be funded from the HRA.

Overall costs = £132,000 for the entire programme

Risk Implications

Any associated risks will be covered by staff inductions and training, as per any other member of personnel.

Corporate Objectives

Dacorum Delivers

Building an efficient, effective modern Council means having the right workforce in place which includes employing 'young people' with fresh and current ideas.

This programme also supports succession planning by assisting the Council in growing leaders for the future

Advice

The Portfolio Holder for Residents and Regulatory Services introduced the report and said the Council had been part of the programme since 2010 with six graduates completing the scheme.

Some of the job titles the graduates had secured were:

- Customer Intelligence and Policy Officer
- E-Access and Content Lead Officer
- Property and Allocations Lead Officer
- Active Communities Lead Officer

Additional funds were being requested this year to recruit two additional graduates into the scheme.

The Portfolio Holder for Finance and Resources said he was very enthusiastic about the programme.

The Leader of the Council endorsed the quality of the graduates who had gone through the scheme.

Options and Why Options Rejected

No alternative options were considered.

Consultation

Consultation took place with:

Councillor Neil Harden, Portfolio Holder for Residents and Regulatory Services; and Corporate Management Team.

Voting

None.

CA/050/14 DACORUM LOOK NO FURTHER WORK AND ENJOY CAMPAIGN UPDATE

Decision

1. That the report be noted and the work already carried out during 2013/14 be acknowledged.
2. That the direction of the planned work for 2014/15 and into the future be endorsed.

Reason for Decision

To demonstrate the value added from the additional investment into Economic Wellbeing and the Look No Further campaign, and to identify next steps for these areas.

Implications

Financial

The work within this report is contained within the additional budget allocated by Cabinet in December 2011 as a result of the economic downturn for piloting initiatives to raise Dacorum's reputation as a great place to Work, Live and Enjoy.

£300k was allocated over 2 years to support the economy and £200k was given to promote the reputation of Dacorum.

Value for Money

The funding detailed above was given to pilot initiatives to help attract inward investment, and support our current business community through tough financial times. In addition the money was to raise the profile and reputation of Dacorum, and to maximise the tourism economy in the Borough.

Risk Implications

Risk Assessment included within the Project Initiation Document for this area of work and monitored through the Corvu system.

Corporate Objectives

The project supports the Corporate Vision and in particular the priority of Building Community Capacity and Regeneration. It has also allowed focus on raising the reputation of Dacorum as a great place to Live, Work and Enjoy.

Advice

The Group Manager (Strategic Planning and Regeneration) gave a brief summary of the report and of the papers circulated at the meeting which included samples of some of the marketing media that had been put together during the last two years.

Both pots of money were for developing the reputation of the Council, promoting tourism and developing the economy. What had been achieved so far was detailed in the report, as well as the proposals to carry this work forward now that most of the money had been spent.

A lot of the pump priming work had been done and the Group Manager was confident the service could carry on without any further funding. Defined income that could be measured had been detailed in the report but it was difficult to identify everything that had been achieved with the funding.

The Portfolio Holder for Finance and Resources said he had been delighted to see an advert at Euston Station for Dacorum Look No Further. This project had worked well so far. The events such as the old vehicle rally and the cycle race, as well as the work with hotels and tourism had been under sold for a long time and the Portfolio Holder was glad this was now being pushed forward. The Council should look at sustaining the investment for another year or two. There was evidence this was working.

The Group Manager (Strategic Planning and Regeneration) said a lot of this work had been pump primed and a lot of the investment would not need to be repeated. The Group Manager was confident the work could continue for twelve months without asking for more money. The surplus from the Business Centre had always been

earmarked for economic development and this money could be used to fund work for 3 days per week. A lot of money was spent on pilots and a work plan had been made for the next year but funding may be needed after that for particular pieces of work. There was still work to be done to get the public to recognise where Dacorum was.

The Corporate Director (Housing and Regeneration) said he had looked to see if tourism could be self-financing. If that was to continue it would be by demand rather than by desire.

The Team Leader (Economic Wellbeing Team) said, with the new town centre and Jarmans, there would still be an offering regarding tourism and the Council received sponsorship from tourism partners. The map that had been produced had been a great success and was being distributed at business shows. People were able to travel out from London for the day. If this was reprinted it would be self-financing.

The Group Manager (Strategic Planning and Regeneration) said there was a lot more development work to be done on the website and the target was to get 2,000 hits per month which would make it a saleable product.

The Portfolio Holder for Environment and Sustainability said she had attended a number of the tourism events and fully endorsed the work being done and moving it forward, hopefully on a five day a week basis.

The Portfolio Holder for Residents and Regulatory Services asked what the benefits would be having a full time Tourism Officer rather than a part time one.

The Team Leader (Economic Wellbeing Team) said a lot of the work done was producing marketing materials and working on the website. A tourism consultant was giving advice on making the website more user friendly. The Council wanted to try and capture individual information and email out offers in the area. Currently work was concentrating on group travel into the area and a day trip had been organised in June. A full time resource would enable more marketing locally and nationally, as well as talking to individual travel organisers. The Council was facilitating an evening tour to the Paper Mill.

The Portfolio Holder for Residents and Regulatory Services said most of the Dacorum Look No Further marketing publicity was in Dacorum and asked if the Council had looked at advertising in neighbouring boroughs.

The Team Leader (Economic Wellbeing Team) said the Council could put its advertising wherever it was willing to pay for it. Adverts were currently at Watford Station. Bus back and lorry side campaigns were now being considered in the run up to the summer holidays.

The Portfolio Holder for Residents and Regulatory Services said there had been a reduction by Hertfordshire County Council in tourism officers and asked if this had impacted on Dacorum.

The Group Manager (Strategic Planning and Regeneration) said the Council had approached Hertfordshire County Council to see if they wanted to buy DBC services. An answer had not yet been received.

The Leader of the Council said the question was about current funding. There was no doubt a lot of success had been achieved so far and the Council's reputation regarding business was getting stronger. The team was doing an excellent job. Some work would need to continue and consideration should be given as to how to market the revitalised town centre. There was a Town Centre Manager in post and perhaps there could be a secondment to support that role. The purpose of the investment was to bring people back into the town centre and bring more quality shops back into the town.

Options and Why Options Rejected

No alternative options were considered.

Consultation

Consultation took place with:

James Doe, Assistant Director (Planning, Development and Regeneration).

Voting

None.

CA/051/14 ADDITIONAL FUNDING FOR SPORTSPACE 2014/15

Decision

1. **That Council be recommended to approve a supplementary estimate to be financed from the Management of Change reserve to provide a further revenue contribution of £100k for the financial year 2014/15 to support Sportspace for one year only, contingent upon the development of a delivery plan as outlined in the report.**
2. That authority be delegated to the Corporate Director (Finance and Operations), in consultation with the Portfolio Holder for Finance and Resources and the Portfolio Holder for Residents and Regulatory Services, to consider and, where it is considered appropriate to do so, to give approval to the Council acting as guarantor for Sportspace in relation to such loans and/or lease arrangements which Sportspace may wish to enter into for the purpose of developing or improving sports facilities across the Borough.

Reason for Decision

To approve a further revenue contribution of £100k for the financial year 2014/15 to support Dacorum Sports Trust (trading as Sportspace).

Implications

Financial

The additional £100k grant for 2014/15 can be funded from the Council's Management of Change Reserve; any additional risk exposure in the event of the Council agreeing to act as guarantor for loans/leases the Trust may enter into would be considered

within the overall mandate of the Council's Treasury Management Strategy, which was agreed by Council in February.

Value for Money

The additional grant proposed would be contingent on the development of performance indicators outlined in this report, ensuring that the additional funds provide good value for money.

Risk Implications

As stated above (in the Financial Implications section), the risk exposure from acting as guarantor to the Trust would be evaluated in the context of the Council's Treasury Management Strategy.

Corporate Objectives

The recommendations support the Council's commitment to maintain and develop leisure and recreation for the communities it serves.

Advice

The Portfolio Holder for Finance and Resources introduced the report and said Sportspace had given a presentation to the Finance and Resources Overview and Scrutiny Committee. A high level meeting had then been held with them and they explained the severe financial situation they were facing for the current year. There was a shortfall of £100k and as a charity they could not budget for a loss. The Council felt things were not moving forward with the sports offer.

The Council agreed that for a one off period of one year they would increase their grant to Sportspace by £100k on the basis that, during that year, they improved their performance in terms of finance and on delivery of what they were doing for sports within the borough. These two caveats were detailed within the report.

The Portfolio Holder for Environment and Sustainability expressed concern that the Council still needed to put funding into this. There were great resources available that were obviously not being used to their full potential. The Council needed to be strong about ensuring Sportspace met their targets and that they had the expertise within their Trustees to deliver these. They would get more footfall and they would prosper.

The Corporate Director (Finance and Operations) said now that there was a more evidence based approach, the Council needed to see delivery against participation and expansion. Sportspace had been saying they needed investment in new equipment and in the Little Hay golf course. This would increase their income and increase their offer. The Council would look at the possibility of becoming a guarantor.

Sportspace had got themselves into difficulties and did not want to take the level of risk to undertake the expansion the Council wished for. The extra £100k would help them through this.

Sportspace had a new Director of Finance. The year would be monitored in real time to ensure they carried out the actions as detailed in the business plan. They had a twelve month window.

The Portfolio Holder for Environment and Sustainability said the Council needed to ensure Sportspace promoted these facilities to draw people in to use them.

The Corporate Director (Finance and Operations) said if Sportspace could deliver on the expansion of Little Hay golf course and provide a new low cost gym, this should bring in more footfall and more income to solve their funding problems.

The Leader of the Council reassured members that the conversations with Sportspace had been robust and that there had been a very clear understanding.

The Portfolio Holder for Residents and Regulatory Services asked what the negativity was for the Council if the loans did not work.

The Corporate Director (Finance and Operations) said if this was not successful, Sportspace would be wound up. The Council, as guarantor, would be liable for the loans but would get back the assets currently being operated by Sportspace.

The Portfolio Holder for Finance and Resources said the Council would be putting money into facilities owned by them freehold. There would not be too much risk involved. Their business assessment was cautious and they were risk averse.

The Leader of the Council said the business case had been looked at very carefully.

The Assistant Director (Chief Executive's Unit) advised the Council held the assets under leases and, if Sportspace went into bankruptcy, the leases would revert to Dacorum Borough Council.

Options and Why Options Rejected

No alternative options were considered.

Consultation

Consultation took place with:

Portfolio Holders;
Chief Officers' Group;
Sportspace.

Voting

None.

CA/052/14 COMMUNITY INFRASTRUCTURE LEVY (CIL) - SUBMISSION

Decision

That Council be recommended to approve:

- 1. The response to the comments made on the Draft Charging Schedule (DCS).**

2. **The proposed modifications to the DCS and associated policy documents.**
3. **The Statement of Compliance with the CIL Regulations and Guidance.**
4. **The submission of the DCS, a Statement of Compliance with the CIL Regulations and associated policy documents on Discretionary Charitable Relief, Exceptional Circumstances Relief, Instalments and Payments in Kind (Land) and supporting evidence to the Planning Inspectorate for Examination together with any representations on our proposed modifications.**
5. That authority is delegated to the Assistant Director (Planning, Development and Regeneration) to submit further evidence to the CIL examiner where necessary to support the DCS.

Reason for Decision

To enable the CIL Charging Schedule and associated policies to be submitted to the Planning Inspector for examination.

Implications

Financial

The Planning Inspectorate charges £993+VAT for each day the Examiner spends on the examination of the Charging Schedule plus the Examiners travel and subsistence costs in accordance with the PINS travel and subsistence policy. It is anticipated that the examination of the CIL Charging Schedule will take only one day.

The Council will require the support of BNP Paribas Real Estate at the CIL examination. The costs associated with the preparation of evidence and attendance at the CIL examination by Anthony Lee, Senior Director, BNP Paribas Real Estate are £200 per hour (exclusive of VAT and expenses) and Sacha Winfield-Ferreira, Associate Director, BNP Paribas Real Estate are £175 per hour (exclusive of VAT and Expenses).

The cost of developing and implementing CIL is being borne by the Local Development Framework (LDF) budget, and may be repaid from future CIL receipts. Once implemented, up to 5% of CIL receipts may be used for its administration. The project is therefore expected to be cost-neutral in the long term.

Once CIL is in place the Council will be responsible for collecting and allocating significant sums of money.

Value for money

Where possible, technical work that supports the CIL has been jointly commissioned with adjoining authorities to ensure value for money. Also, see above regarding the project ultimately being cost neutral.

Legal

CIL should reduce the need for involvement of the Council's planning solicitor, as it will reduce the role of s106 agreements. The Council's legal department may need to become involved in cases where liable parties do not pay CIL.

Human Resources

A member of the Strategic Planning and Regeneration team has taken over the role of leading CIL development and associated infrastructure planning work, for an initial two year period. This secondment has recently been extended until March 2015, in order to cover the period of examination and early implementation. Any additional staff needs will be considered as the project develops and affect the Development Management, Legal and Financial teams.

Land

Once in place, CIL will be payable for any chargeable development on Council owned land. The opportunity also exists for the Council to accumulate land for the delivery of infrastructure in lieu of CIL payment in accordance with Regulation 73 of the CIL Regulations. A draft policy on Payments in Kind will be submitted as evidence.

Risk Implications

The Project Initiation Document (PID) was updated in February 2013 and sets out full details of the risks associated with the introduction of a CIL. They include insufficient buy-in from infrastructure providers and key stakeholders, changes in Government policy and team capacity.

The risk of the Charging Schedule being rejected was considered to be unlikely, but such a rejection would have significant financial consequences for the funding of infrastructure by the Council and infrastructure providers. It is noted that a number of recent Charging Schedules have been amended at the direction of their CIL examiner.

Corporate Objectives

Preparation and implementation of a CIL contributes to all of the corporate objectives.

Affordable Housing

Affordable housing will be exempt from paying CIL, and the CIL revenues cannot currently be used for provision of Affordable Housing, which will continue to be provided via S106. Officers from the Strategic Housing service are involved in developing the CIL charging schedule, for which affordable housing requirements will be a key consideration. If CIL is set too high then developers may not be able to meet the affordable housing policy requirements.

Safe and Clean Environment

The infrastructure provided through CIL monies is likely to include open space and urban realm improvements to support the development of the borough, both of which contribute to a safe and clean environment.

Building Community Capacity

CIL revenues may be used to social enterprise and local community infrastructure which supports those in the most deprived areas.

Regeneration

CIL will be used in combination with S106 to support the delivery of the key regeneration priorities for the Council.

Dacorum Delivers

Developing the CIL represents Value for Money as it will become cost-neutral once it is up and running as explained below. It will lead to the delivery of infrastructure required to support new development so will improve the reputation of the Council.

Advice

The Assistant Director (Planning, Development and Regeneration) said the report was looking at the charging schedule and the associated policies and was seeking authorisation for these to go to the Planning Inspector.

The draft charging schedule had gone out to consultation in January and March of this year. Representations received were summarised in an appendix of the report. The report explained the key issues.

The Assistant Director said there was one change to be made to the report. Page 14, paragraph 5.7 of the report explained that this needed Council approval to move forward but, instead of the report going to Annual Council on 28 May 2014 as detailed in the report, it would be going to Council for approval on 9 July. This would change the programme slightly.

The Portfolio Holder for Environment and Sustainability asked what a CIL buffer was.

The Assistant Director (Planning, Development and Regeneration) said it was a technical term and was to do with the viability assessment of developments in different areas. This was explained in paragraph 3.5 of the report.

The consultants indicated developments would be more viable in Berkhamsted and less viable in Hemel Hempstead. The Council needed to ensure the rates were set at an appropriate level and did not dissuade development. Developers still needed to make a profit after paying CIL. The Council recommended the charge for Berkhamsted should be £250.00 per square metre which was felt to be fair. Once CIL rates were set there could be no negotiation with developers.

Options and Why Options Rejected

No alternative options were considered.

Consultation

Consultation took place with:

CIL Task and Finish Group;
CIL Officer Working Group;
Officers at Hertfordshire County Council;
Key landowners of strategic housing sites and Local Allocations; and
Statutory consultees under the CIL Regulations.

Voting

None.

The meeting ended at 8.05 pm.