

Cabinet

Minutes of a Meeting of the Cabinet held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **10th March 2016**

Present:

Cllr. Bell (Vice-Chairman in the Chair);

Cllrs. Mrs Bell, Bennett, Mrs Blanford, Clokie, Galpin, Heyes, Miss Martin, Shorter.

Apologies:

Cllrs. Britcher, Clarkson, Smith

Also Present:

Cllrs. Bradford, Buchanan, Burgess, Hicks, Krause, Link, Michael, Ovenden, Wedgbury.

Chief Executive, Deputy Chief Executive, Head of Legal and Democratic Services, Head of Planning and Development, Head of Environment and Cultural Services, Communications and Marketing Manager, Cultural Projects Manager, Head of Personnel and Development, Head of Housing, Arts and Cultural Industries Manager, Health, Parking and Community Safety Manager, Head of Health, Parking and Community Safety, Head of Environment and Customer Services, Facility Development Manager, Community Safety Operations Manager, Head of Finance, Principal Solicitor (Strategic Development), Member Services and Scrutiny Manager.

357 Declarations of Interest

Councillor	Interest	Minute No.
Hicks	Announced an 'Other Significant Interest' in respect of Agenda Item 9 as she had been appointed by the Council to the Ashford Leisure Trust. She read a statement and then left the meeting for the debate and the vote.	363
Wedgbury	Made a "Voluntary Announcement" as he was a member of the Kent County Council.	361

358 Minutes

Resolved:

That subject to the inclusion of the Principal Solicitor (Strategic Development) in the list of Officers present at the meeting, the Minutes of the meeting of the

Cabinet held on the 11th February 2016 be approved and confirmed as a correct record.

359 Leader's Announcements

The Deputy Leader advised that he wished to share with colleagues an item of good news for the Borough. He explained that the Council had learned that day that it had been successful in bidding for funding in the second round of the Care and Support Specialised Housing Fund (CASSH) and had been awarded £1.92 million towards the cost of providing care ready homes at Danemore in Tenterden. The Deputy Leader further explained that Ashford had been the only successful bid for such funding in Kent. The Fund, which had been first launched in 2012 by the Department of Health and the Homes and Communities Agency, aimed to support the development of specialised housing for older people and adults with physical disabilities, learning difficulties or mental health needs. A total of 79 schemes were set to receive around £84.2 million to develop up to 2,000 affordable homes. The Deputy Leader advised that housing built under this Fund helped people to remain independent for as long as possible in a home suited to their needs. It therefore continued to play a major part in helping reduce costs and dependencies in other parts of the public sector. This success followed on from the £3.6 m the Council had been awarded from the first round of bids to this Fund which had helped with the redevelopment of Farrow Court and was yet another illustration of how Ashford was ahead of the game when it came to being "business ready for housing".

The Deputy Leader then said that colleagues may well have read a recent report in the local media regarding potential cuts to rural bus services. He said that he was sure that all were concerned about the possible consequences on the Borough's rural communities and explained that he had personally received calls from several residents in his Ward who had expressed their concerns. He advised that the Borough Council was fully aware of the importance of bus services, especially to the rural parts of the Borough, in particular as Ashford was the most rural Borough in the County. He said that the Council understood the budgetary pressures which faced Kent County Council and Ashford would look to work closely with them and the voluntary sector to see what could be done to ensure that rural communities could continue to benefit from those vital services. The Deputy Leader understood that KCC would be running a consultation on this matter shortly and the Council would be responding to the consultation in due course after careful consideration of all the options.

360 Memorial Safety in Burial Grounds

The report outlined the duties and responsibilities with regard to the safety of memorials in burial grounds and recommended that the Council update its approach to the testing and inspection of memorials and to develop a forward plan.

The Portfolio Holder explained that it was essential on health and safety grounds that the work be undertaken and she said that it was important that this message be communicated to the public. She advised that a further report would be submitted to the Cabinet in the Autumn following the initial survey.

In response to a comment from a Member, the Portfolio Holder explained that she was aware of the issues that had arisen the last time the Council had endeavoured to take this matter forward and explained that technologies were now in place which allowed memorials to be safely and uniformly assessed. However, the Portfolio Holder could not guarantee that it would not be necessary to lay any memorial stones flat.

Resolved:

- That**
- (i) the current position with regard to memorial testing and inspection be noted.**
 - (ii) the updated policy and operational procedures as set out in Appendix 1 of the report for the inspection and safe management of memorials be adopted.**
 - (iii) the following words be added to delegation 17.1 (f):**

“...and such closed burial grounds that are now, or subsequently become, the responsibility of the Council”.
 - (iv) a further report be submitted to the Cabinet in the Autumn following the initial survey, with findings, initial costs and proposed changes to the Cemetery Rules and Regulations and Memorial Headstone documentation.**

361 Chilmington Gypsy Site

The report sought authority to finalise negotiations with Kent County Council (KCC) for the future management and disposal of the freehold of Chilmington Gypsy site.

The Portfolio Holder advised that he believed that the report demonstrated a good deal for the Council and explained that the Kent County Council would bring further experience in terms of their management of the site.

The Portfolio Holder for Culture, Leisure and Environment advised that the Great Chart and Singleton Parish Council would need to be briefed on the proposal and she understood that a meeting would take place in the near future.

Resolved:

- That**
- (i) the Head of Housing and the Portfolio Holder for Housing and Home Ownership be authorised to negotiate terms for the disposal of Chilmington Gypsy Site for a nominal amount to Kent County Council, such terms to include restrictive covenants, a restriction on title and overage and that, in the event of future disposal, the land would only be used as a Gypsy site.**
 - (ii) the terms of disposal to include:**

- (a) **The site to be kept as a gypsy site in perpetuity with no less than the same number of pitches currently provided unless agreed otherwise.**
- (b) **Kent County Council should use its best endeavours to keep the site in a lettable condition and to ensure that all plots on the site are let.**
- (iii) **the Head of Legal and Democratic Services be authorised to enter into the necessary documentation to give effect to the decision.**

362 Victoria Park and Watercress Fields Concept Masterplan and Heritage Lottery Bid (HLF)

The report provided an update on the positive progress made on creating a concept Masterplan for Victoria Park and Watercress Fields prioritised as part of the Land Management Improvement Plan adopted in 2014. An opportunity for a first stage development application to the Heritage Lottery Fund was explained which could support timely and beneficial repairs and improvements to the Grade II Listed Hubert Fountain.

The Portfolio Holder explained that the proposals set out within the report stemmed from a workshop exercise and were indicative of how the area could be developed in the future. She also explained that the Indoor Bowling Club had expressed an interest in taking part in the discussions for the area.

In response to a comment, the Portfolio Holder advised that discussions had already been held with Officers regarding further bridges to provide access to the site from the proposed residential areas on the other side of the river. The Portfolio Holder referred to the article in the Kentish Express about an ice rink and said she believed that as Ashford developed this could be a reality but in her view it would be more likely located at one of the strategic entrances to the town centre by a motorway junction, for example.

The Chairman advised that the Ward Members for the area had expressed a wish for the railings to be replaced with ones which reflected the original Victorian installations which had been removed many years ago. The Portfolio Holder said that Officers were mindful of the Ward Members' wishes in this regard.

Resolved:

- That**
- (i) the Victoria Park and Watercress Fields Concept Masterplan be adopted as an indicative framework to support the future planning of new development, refurbishment and timely partnership working as opportunities arise.**
 - (ii) the first stage application to the Heritage Lottery Fund with a Council contribution of up to £10,000 be endorsed and a further**

report be brought forward in due course to consider the second stage application.

363 Management of Leisure Facilities: Corporate Strategy 2015-2020: Priority 3 Active and Creative Ashford

The report examined matters associated with the future management and appointment process for the operation and development of key leisure facilities namely the Stour Centre, Conningbrook Lakes Country Park and the Julie Rose Stadium. The report also provided an update on the Jasmin Vardimon project and asked that agreement be given to supporting the scoping of a new location.

The Portfolio Holder explained that Ashford had a growing population and therefore there was a need to have an up to date model which would deliver well run sports facilities. The Portfolio Holder emphasised that the purpose of the report was not to remove Ashford Leisure Trust, but explained that no agreement could be reached on the Council's approach in terms of redevelopment of the Stour Centre and a revised three year agreement for the Julie Rose Stadium and Conningbrook Lakes. The Portfolio Holder considered that there was therefore a need to bring in a company who could manage those facilities not currently run by Ashford Leisure Trust for a period of up to 18 months. There would then be a process by which the sporting and leisure facilities under the Council's control would be subject to national tendering exercise. In terms of the Jasmin Vardimon project, the Portfolio Holder emphasised that the Council were very keen to retain the company in Ashford and the Borough Council would be assisting in terms of identifying a performance space.

One of the Ward Members for the Weald South Ward advised that she was speaking as both a Member of the Council and as a Trustee of Ashford Leisure Trust (ALT). She said that she believed that ALT and the Borough Council shared the common purpose of providing high quality value for money sport and leisure services to enhance the health and wellbeing of the local community. The Member explained that the Board wished to advise that they were fully committed to developing a solution which met the Council's aspirations for the management and delivery of its leisure portfolio and had latterly approved resolutions to engage external expertise to facilitate the process of market engagement for options appraisal and selection of a strategic partner organisation. The Member said that the new partner organisation, once selected, would bring strength and experience and resourcing to a new operating model for the Trust and would act as an enabler for refurbishment of the un-modelled areas of the Stour Centre in conjunction with the Borough Council, whilst ensuring that the needs of the local community of Ashford remained the main priority in service delivery.

The Member further explained that ALT were disappointed that as a result of the Cabinet recommendations, if approved, they would not be able to offer up the whole portfolio into a market testing process to deliver a consistent, robust strategic vision for sport and leisure facilities in the Borough. She advised that ALT was a not for profit organisation and was a registered Charity with the Charity Commission and therefore the Trust had been able to make investments in the facilities and services operated under the agreements with the Borough Council amounting to in excess of

a quarter of a million pounds to date including, most recently, nearly £100,000 in a new spin studio at the Stour Centre, in conjunction with the Council, which was due to open the following month. The Member said that the work of the Trust had also been independently recognised within the sports and leisure sector with ALT winning community partnership and participation awards from England Athletics over the last three consecutive years and had also successfully been awarded external funding from Sport England to encourage family participation in activity within the Stanhope Ward. On this occasion the Trust had been only one of 15 within the whole Country to be awarded such funding. In conclusion the Member believed that the performance of and the commitment from ALT in reviewing the operating model and seeking a strategic partner, whilst sharing the aspirations of the Council, made it the appropriate choice for the management of sport and leisure facilities in Ashford both now and in the future.

The Portfolio Holder for Finance, Budget and Resource Management said that he had been party to the discussions with ALT and he said that although at this stage it had not been possible to move forward with them the future procurement exercise was an opportunity for them to bid for the contract. In response to a question, the Head of Environment and Cultural Services explained that in time it was hoped that an indoor tennis facility could be provided and to this end his Officers were working on developing a strategic sport study in conjunction with the review of the Local Plan. In terms of the management of the Kingsnorth Recreation Centre, he explained that this it was hoped that the facility would be subject to the package of facilities included within the national procurement exercise.

In response to a further question about the possible implications on the operation of smaller independent facilities, the Head of Environment and Cultural Services said that the Council would be looking to develop complementary facilities in conjunction with facilities provided by independent organisations.

The Chairman explained that this was the last meeting that Mark Carty, the Head of Environment and Cultural Services would attend before his retirement and he said on behalf of the Cabinet and the Council he wished to express his gratitude for the work undertaken by Mark during his extensive service at Ashford and he wished him all the best for the future.

Resolved:

That (i) the contents of the report be noted.

(ii) the Council:

- (a) Terminate the existing agreements with Ashford Leisure Trust for the operation of the Julie Rose Stadium and Conningbrook Lakes Country Park, and**
- (b) Enter into a concession contract for 18 months (extendable for a further six months) with Neighbourhood Southern Community Trust Ltd and their management agent Serco Leisure Operating Ltd for the operation of Conningbrook**

**Lakes Country Park and Julie Rose Stadium, Pitchside,
Courtside and Spearpoint Pavilion.**

- (iii) an allocation of £24,650 be made to the Jasmin Vardimon Company for assisting the scoping of a new location.**
- (iv) the Heads of Culture and Legal and Democratic Services be authorised, in consultation with the Leader of the Council and the Portfolio Holder to take all necessary steps including entering into legal Agreements as required to give effect to the above recommendations.**

364 CCTV Strategy including Renewals and Investment in the Service

The report sought a re-affirmation of a commitment to the importance of maintaining and developing CCTV services within the Borough of Ashford and also sought agreement to an investment to replace public space cameras in Ashford and Tenterden, and other updates.

The Portfolio Holder said that he fully supported the recommendations and said that it would provide an opportunity for further investment in the future.

Resolved:

- That**
- (i) the Council's commitment to the importance of maintaining CCTV services be re-affirmed.**
 - (ii) the method of provision of these services be confirmed.**

Recommended:

That an investment of £250,000 be made to replace public space CCTV cameras in Ashford and Tenterden, to update the back office systems and to provide a single operating platform to facilitate further business development.

365 Local Plan and Planning Policy Task Group – 10th and 25th February 2016

Resolved:

That the notes of the meeting of the Local Plan and Planning Policy Task Group held on the 10th and 25th February 2016 be approved and adopted.

366 Town Centre Regeneration Board – 27th January 2016

Resolved:

That the notes of the meeting of the Town Centre Regeneration Board on the 27th January 2016 be approved and adopted.

367 Schedule of Key Decisions to the Taken

Resolved:

That the latest Schedule of Key Decisions as set out within the report be received and noted.

368 Proposed Funding Arrangement with the Homes and Communities Agency to Enable Delivery of M20 Junction 10A

The report set out the proposed basis of funding agreements with both the Homes and Communities Agency (HCA) and Highways England to put in place the uncommitted part of the funding needed to deliver Junction 10A. Although originally shown on the printed Agenda as an exempt item, the report had been issued as an open item.

The Chairman said that he wished to move an amendment to require the delegations proposed to be recommended to the Head of Legal and Democratic Services in (ii) and (v) be exercised in consultation with the Leader as Portfolio Holder with responsibility for Economic Development and Strategic Projects.

Resolved:

- That**
- (i) the funding proposition and terms for the delivery of M20 Junction 10A from the Homes and Communities Agency (HCA) and as set out in the Heads of Terms attached to the report be agreed.**
 - (ii) authority be delegated to the Head of Legal and Democratic Services/Corporate Director (Law and Governance) in consultation with the Chief Executive, the Head of Planning and Development/Corporate Director (Development), Head of Finance and the Leader of the Council as Portfolio Holder to negotiate, finalise and execute a detailed Funding Agreement with the HCA, including the details and mechanisms regarding Starter Homes released by the Junction 10A project and also any related documentation to implement the above.**
 - (iii) any delay to the above decisions becoming implementable would seriously prejudice the Council's and the public's interests for the reasons set out in paragraph 20 of the report and therefore, with**

the consent of the Chairman of the Overview and Scrutiny Committee, these decisions are being made at this meeting as Urgent Decisions within the Overview and Scrutiny Procedure Rule 15 (j).

Recommended:

- That (i) the Council enter into a consequential funding arrangement with Highways England Company Ltd (HECL) to invest the HCA funding into the Junction 10A project and to secure repayments to meet the Heads of Terms attached to the report.**
- (ii) authority be delegated to the Head of Legal and Democratic Services/Corporate Director (Law and Governance) in consultation with the Chief Executive, the Head of Planning and Development/Corporate Director (Development), the Head of Finance and the Leader of the Council as Portfolio Holder to negotiate arrangements with HECL for funding and repayment, and to finalise and execute a detailed Funding Agreement and any related documentation with HECL to implement all of the above recommendations.**

(KRF/AEH)

MINS:CAXX1610

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Cabinet

Minutes of a Meeting of the Cabinet held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **14th April 2016**

Present:

Cllr. Clarkson (Chairman);

Cllr. Bell (Vice-Chairman);

Cllrs. Bennett, Mrs Blanford, Clokie, Galpin, Heyes, Shorter.

Apologies:

Cllrs. Bradford, Mrs Bell, Miss Martin, Ovenden.

Also Present:

Cllrs. Buchanan, Burgess, Hicks, Krause, Link, Michael, Wedgbury, White.

Chief Executive, Deputy Chief Executive, Corporate Director (Law and Governance) and Monitoring Officer, Corporate Director (Development), Head of Health, Parking and Community Safety, Head of HR, Communications and Technology, Health, Parking and Community Safety Manager, Human Resources Manager, Head of Environment and Customer Services, Head of Housing, Senior Commercial Development Manager, Head of Finance, Housing Improvement Manager, Principal Solicitor (Strategic Development), Policy and Performance Officer, Auditor, Communications Officer, Member Services and Scrutiny Manager.

380 Minutes

The Chairman referred to the Tabled Papers which set out amendments to Minute No. 363 – Management of Leisure Facilities: Corporate Strategy 2015 – 2020: Priority 3 Active and Creative Ashford.

Resolved:

That the Minutes of the meeting of the Cabinet held on the 10th March 2016 be approved and confirmed as a correct record subject to the substitution of “for up to 18 months (extendable for up to six further months)” for “for 18 months (extendable for a further six months)” and “Southern Community Leisure Trust Ltd” for “Neighbourhood Southern Community Trust Ltd” in Minute No.363 (ii) (b).

381 Pay Policy Statement – Annual Review

The report made recommendations for the annual review of the Ashford Living Wage Allowance and the Ashford Apprentice Wage Allowance and also for the publication of an updated Pay Policy Statement.

Recommended:

- That
- (i) the amendment to the application of the Ashford Living Wage Allowance (ALWA) to take account of the new statutory National Living Wage Rate be agreed and be implemented from 1st April 2016 and that the pay rate of the lowest paid employees is maintained at the rate of £8 per hour for 2016/17.**
 - (ii) the Pay Policy Statement as attached to the report be approved.**
 - (iii) the ALWA be paid at the rate of 15p per hour above the National Minimum Wage (NMW) rate applicable to the age of the apprentice for 2016/17.**
 - (iv) the ALWA rate be paid at 15p per hour above the statutory National Living Wage Rate for apprentices over the age of 25 for 2016/17.**
 - (v) it be noted that the forthcoming Government legislation would have an impact on the Council's Pay Policy Statement.**

382 Safeguarding Policy

The report advised that the Policy had been brought up to date following changes in national policy and legislation.

The Portfolio Holder explained that the purpose of the Policy and its associated procedures was that safeguarding was “everybody’s business” and that we as an organisation were committed to ensuring children, young people and adults at risk were protected from abuse and were provided opportunities to thrive. He also explained that procedures had been updated, training had been commissioned and a group of staff have been identified as Lead Safeguarding Officers.

Resolved:

- That
- (i) the revised Safeguarding Policy be approved.**
 - (ii) the Head of Health, Parking and Community Safety be authorised to approve minor amendments to the Policy in line with working arrangements.**

383 Proposed Update to the Affordable Housing Programme and Business Case for Remodelling of Danemore Sheltered Housing Scheme

The report sought approval to update the programme of new build Council housing and of the Business Case for the proposed remodelling of the sheltered housing scheme at Danemore, Tenterden. The Portfolio Holder said he wished to draw attention to the successful bid made by the Council to the Care and Support Specialised Housing (CASSH) fund of £1.6 million to contribute towards the cost of remodelling Danemore. He also explained the nature of the proposed decanting arrangements for the tenants and commented that the residents were pleased with the proposed improvements to be undertaken at Danemore. The Portfolio Holder also referred to the Affordable Homes Programme and advised that in terms of unit costs, work was being undertaken with a view to reducing them.

Resolved:

- That
- (i) the proposed updates to the new build programme between 2016 and 2020 be approved.
 - (ii) the Business Case for Remodelling of the Danemore Sheltered Housing Scheme in Tenterden be approved.
 - (iii) the successful bid for £1.6 m from the Department of Health CASSH fund be noted.

384 Grounds Maintenance, New Operational Structure: Approval of Costs Associated with the Early Release of Local Government Pension Scheme Benefits due to Redundancy

The report advised that in October 2016 the Grounds Maintenance Function would become an in-house service and there would no longer be an external contract to manage. As a consequence there would no longer be a requirement for Officers to monitor a contract and Contract Management posts would become redundant. Two of the affected post holders were entitled to the early release of their Local Government Pension Scheme Benefits due to reasons of redundancy.

Recommended:

That the costs of the early release of Local Government Pension Scheme Benefits for affected post holders for reasons of redundancy be approved.

385 Joint Transportation Board – 8th March 2016

Resolved:

That the Minutes of the meeting of the Joint Transportation Board held on the 8th March 2016 be received and noted.

386 Local Plan and Planning Policy Task Group – 9th March 2016

Resolved:

That the notes of the meeting of the Local Plan and Planning Policy Task Group held on the 9th March 2016 be approved and adopted.

387 Town Centre Regeneration Board – 24th February 2016

Resolved:

That the notes of the meeting of the Town Centre Regeneration Board held on the 24th February 2016 be received and noted.

388 Schedule of Key Decisions to be Taken

Resolved:

That the latest Schedule of Key Decisions as set out within the report be received and noted.

389 Elwick Place Development

The report, as amended by the Update paper tabled at the meeting, asked the Cabinet to recommend to Council to fund and require the construction of a mixed use leisure development incorporating cinema, hotel, food, beverage, car park and retail use in Elwick Road. The Exempt Appendices to the report included a paper entitled “Funding and Investment Opportunity”, a draft risk analysis, and a draft report from Arlingclose Ltd, who had been appointed by the Council for independent treasury management advice. Tabled at the meeting was an update report which included revised recommendations together with an Exempt paper advising on the ongoing due diligence work and advice from Cradick Retail who had been appointed by the Council to provide valuation advice in relation to anticipated rental levels. The tabled papers also included comments from Councillor Apps, as one of the Ward Members for the Ashford Victoria Ward.

The Chairman advised that he intended to discuss this item first with the Press and Public present, prior to moving into Exempt session to discuss and answer any questions of detail on the confidential aspects of the proposal. The Cabinet and other Members present were then afforded time to read the tabled papers.

The Chairman, in introducing the report emphasised that the Cabinet would be making recommendations to the Full Council on the 21st April 2016 when Members would be able to debate the issue and receive any further updates that may arise between this meeting and the Council meeting. He also said that it was opportune that he had received that day an invitation to attend an event at the Guildhall in London launching a scheme which was encouraging Local Authorities to use capital investment to support revenue budgets and at the same time achieve social value for

the residents of the area. He believed that the report before Members met both of these aspirations.

The Portfolio Holder for Finance, Budget and Resource Management said that this was a significant exercise for the Borough Council to undertake. He drew attention to the Medium Term Financial Plan which provided for the loss of formula grant from Central Government leaving a £2.1 million gap in funding which the Council needed to consider. The Five Year Business Plan approved by the Council in October 2015 had highlighted the need for the Council to earn revenue rather than reduce services to residents. He explained that the site subject to this report had planning permission for a cinema, hotel and eateries already, and the proposal to fund the building works would provide an added attraction to the town, facilitate its wider development, and support both the day and evening economy. The Portfolio Holder emphasised that the whole process was subject to ongoing due diligence and emphasised that the Council owned the freehold of the site and therefore the proposal did not include any land transfers. He summarised that the proposal was to fund historic and future project costs with Stanhope Plc, who would also receive a profit share on completion. In conclusion, he said that the proposal would allow the Council to benefit from a significant level of income year on year which would be used to support the revenue budget, together with any future capital growth, which he felt was likely.

The Portfolio Holder for Town Centres Focus and Business Dynamics said that he believed that the development was absolutely vital for the Town Centre and in particular the existing shops and businesses who had shown patience and great faith in Ashford. He explained that he had spoken to the Manager of County Square who had indicated confidence that their void units would be filled as the Elwick Place development went forward. He also alluded to the increased level of business rates which would be achieved as new businesses opened in the Town Centre, and commented that enhancing the mix of uses in the Town Centre with this leisure scheme would be very beneficial and the proposal would enable it to be brought forward quicker than waiting for the market to fund the development.

In response to a comment that there was a need to ensure the development was built to a high standard and appropriate quality without over-running costs, the Chairman and the Portfolio Holder for Finance, Budget and Resource Management confirmed that this would be covered in the agreement with the developer.

The Vice-Chairman noted the importance of securing the correct cinema tenant.

The Chairman then read the tabled comments received from one of the Ward Members for Victoria, Councillor Apps, in support of the recommendations set out within the report.

At this point in the meeting the Press and Public were excluded by means of the following resolution:

390 Exclusion of the Public

Resolved:

That pursuant to Section 100A(4) of the Local Government Act 1972, as amended, the public be excluded from the meeting during consideration of the following item, namely Elwick Place Development (Exempt Appendices) as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the public were present there would be disclosure of exempt information hereinafter specified by reference to paragraph 3 of Schedule 12A of the Act, where in the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

391 Elwick Place Development (Exempt Appendices)

During this part of the meeting Members asked detailed questions about the proposed financial arrangements; aspects of the proposed agreement with Stanhope; expected levels of income from the car park; the composition of the construction costs; the other parties involved; and risks associated with the project. The Officers present provided detailed responses to the questions raised and confirmed that the due diligence process was still being undertaken.

The Chairman said he wished to emphasise the strictly confidential nature of the information set out within the Exempt Appendices.

The Press and Public were then re-admitted to the meeting.

Recommended:

- That**
- (i) the contextual advice contained within the report be noted.**
 - (ii) the due diligence advice to date set out in Appendix C to the report, and attached to the tabled Update report, be noted.**
 - (iii) the Chief Executive be authorised, in consultation with the Leader of the Council, the relevant Portfolio Holders and the Chief Financial Officer and the Corporate Director of Law and Governance, to negotiate measures and take any other steps she considers prudent in the Council's interests in order to enable the transaction to proceed as a sound investment, and to approve final due diligence reports and a final risk analysis schedule which are satisfactory in her view and that subject to those matters recommendations (iv) to (vii) become effective. In the event that these matters are not satisfactory, the proposal be reported back for decision by Cabinet.**
 - (iv) it be agreed to enter into an agreement to finance and require the construction of the Development with Stanhope Plc on the terms and at an outlay as set out in the Exempt Update Report.**

- (v) it be agreed to fund the construction of the Development from borrowing (a mixture of internal and external borrowing) with discretion as to the mix and duration of borrowing delegated to the Chief Financial Officer in consultation with the relevant Portfolio Holder, with the need for a later report containing recommendations to amend the Council's Minimum Revenue Provision Policy as and when necessary as advised by Arlingclose.**
 - (vi) the revised prudential indicators as outlined in Appendix E to the report be agreed.**
 - (vii) authority be given to the Corporate Director of Law and Governance in consultation with the Head of Corporate Property and Projects to effect and complete all necessary documentation including the Development Funding Agreement to action the above.**
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(KRF/AEH)

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