

JGC/15-16/007 Proposed Revision of Contract Standing Orders

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 7.

The report proposed further amendments to the Contract Standing Orders used by both Adur District Council and Worthing Borough Council following the implementation of the Public Contract Regulations 2015.

The amendments had been the subject of consultation with both Executive Members for Resources, and the points raised had been incorporated into these Contract Standing Orders.

The Committee was advised that the regulations required that contracts over £25,000 must be advertised on Contracts Finder, the Government's e-procurement portal. The portal is available nationally and must be used in addition to any local e-procurement portal.

However, it was noted that Councils do have the freedom to determine the level at which Contract opportunities need to be advertised for within the Contract Standing Orders. For Adur and Worthing Councils it was recommended that this be set at £100,000. Below this level, Officers would have the freedom to seek quotes from a range of suppliers or go to formal tender which would require that the contract opportunity be advertised.

The Committee requested that the final sentence of paragraph 8.5.2 be amended to read 'value for money must be considered regardless of the value of the procurement'.

Resolved

The Joint Governance Committee recommended to Council that the revised Contract Standing Orders, as amended, be approved.

JGC/15-16/010 Officer Employment Procedure Rules

Before the Committee was a report by the Solicitor to the Council, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 10.

The report sought Members approval of revised Officer Employment Procedure Rules, arising from the introduction of new legislation, the Local Authorities (Standing Orders) (England) (Amendments) Regulations 2015.

It was noted that the Regulations simplify and localise the disciplinary process for the Statutory Officers within the Council; the Head of Paid Service (Chief Executive), the Chief Finance Officer and the Monitoring Officer.

Resolved,

That the Joint Governance Committee

- i) recommended to Adur District Council that the revised Officer Employment Procedure Rules, at Appendix 1 of the report, be adopted as part of the Council's Standing Orders within its Constitution with effect from 24th July 2015;**
- ii) recommended to Worthing Borough Council that the revised Officer Employment Procedure Rules, at Appendix 1 of the report, be adopted as part of the Council's Standing Orders within its Constitution with effect from 24th July 2015.

JSC/017/15-16 Revenue outturn report 2014-15

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 6.

The report outlined the revenue financial monitoring position for the end of the 2014/15 financial year for Joint Strategic Committee, Adur and Worthing Councils. At the time of publication, the Statement of Accounts had not been finalised. It was noted that any changes to the Statement of Accounts would be reported to members later in the year.

Information was also provided in respect of earmarked reserves for the 2 constituent authorities and the 2014/15 capital outturn was reported separately elsewhere on the agenda.

The Committee were informed that Adur Building Services had experienced administration problems in respect of the income due for the work on corporate buildings. This led to an over-provision in income in last year's accounts which subsequently had to be written-off at a cost of £30k. Members noted that the Head of Housing was undertaking an in depth review into the financial and operational management of the service.

Worthing Theatres made a £300k improvement on last year's figures posting a reduced over spend of £184k which demonstrated remarkable progress. There had been a significant improvement in budget monitoring for 2014/15 with quarter 3 projections by the Theatres Management Team being only £3k adrift of the final outturn.

Members noted that for a commercial demand led business, this achievement demonstrated robust financial management and clarity on business outcomes. They expressed support for the new product whilst acknowledging the importance of Worthing's Theatres to the night time economy.

Members sought, clarification, regarding the over spend on FIT4 and whether this was in relation to transferring to a trust. Officers confirmed that the over spend was in relation to transferring to the trust and additional set up costs linked with Worthing College.

Decision

That the Joint Strategic Committee:-

- a) noted the report and outturn position for the Joint, Adur and Worthing Budgets and the proposed use of reserves; and

The Joint Strategic Committee recommended that Adur District Council, at its Council meeting on 23rd July, 2015 and Worthing Borough Council at its Council meeting on 22nd July 2015:-

- a) note the overall final outturn for 2014/15;
- b) approve the appropriation of the net under-spend in General Fund revenue expenditure in the year to reserves as detailed in paragraph 6.3 for Worthing Borough Council of £121,280;
- c) agree the net carry-over of revenue budget to 2015/16 where the original approval for 2014/15 was not utilised which will be funded from the Capacity Issues Reserve as set out in paragraph 5.4 (HRA), 6.1 and 6.2 (General Fund) totalling:-

Adur District Council - HRA £81,000
Adur District Council £36,480
Worthing Borough Council £122,870

- d) approve a contribution for Adur District Council from the 2014/15 HRA surplus to:
 - i. Adur Housing New Development and Acquisition Reserve of £566,000 being the original budgeted amount plus a further £51,000;
 - ii. Business Improvement Reserve of £250,000 to invest in new digital technologies, which will enable efficiencies in the service;
 - iii. HRA Discretionary Assistance Fund of £50,000 to supplement the resources available to provide financial support to tenants.
- e) approve the creation for Adur District Council of a new HRA Business Improvement Fund and to establish the reserve by transferring £250,000 from the 2014/15 surplus.

JSC/018/15-16 Capital and Projects Outturn for Joint, Adur and Worthing 2014/15

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 7.

The report outlined the financial monitoring position for the end of the 2014/15 financial year for capital schemes included in the Joint Strategic Committee, Adur and Worthing Councils. The Committee noted that the Statement of Accounts had not been finalised and that any changes would be reported to members later in the year.

Information was also provided in respect of capital receipts for the 2 constituent authorities.

Decision

The Joint Strategic Committee:-

- a) noted the report and outturn position for the Adur and Worthing Capital Budgets;
- b) approved the release of £90,000 from the HRA Business Improvement Reserve subject to the submission of a business case to the Executive Member for Resources and the Executive Member for Customer Services;
- c) approved the release of £30,000 from the Building Maintenance Reserve to fund the proposed works at Fishersgate Community Centre to facilitate the construction of a new play area.

The Joint Strategic Committee recommended that Adur District Council, at its Council meeting on 17th July, 2014 and Worthing Borough Council at its Council meeting on 15th July 2014:-

- a. **note the overall capital final outturn for 2014/15;**
- b. **agree the net carry-over of General Fund Capital underspends, as detailed in paragraphs 4.8, 4.9, 4.10, 4.11, 6.6, 6.8, 6.9, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15.**
- c. **approve the financing of the Capital Investment Programmes, including the use of capital receipts as set out in paragraphs 4.4 and 4.5, 6.4, 6.5.**
- d. approve the amendments to Worthing Borough Council's 2015/16 Capital Investment Programme to include the following schemes:
 - i) Purchase of land adjacent to Durrington Cemetery as detailed in paragraph 6.9;

- ii) Removal of asbestos from the Town hall as detailed in paragraph 6.12;
 - iii) Conversion of Colonnade House to a creative corner as detailed in paragraph 6.18.
- e. note the use of S106 receipts to fund the 2014/15 Capital Investment Programme, as previously approved, set out in paragraph 4.4 and 6.4.**

JSC/019/15-16 Outline forecast 2016/17 - 20/21 and budget strategy

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 8.

The purpose of the report was to outline the key financial challenges that the Councils would face over the next 3-5 years, propose a budget strategy for managing the emerging issues in 2016/17, and set a broad financial policy framework to inform the Medium Term Financial Plan for the next 5 years.

The report proposed that Adur and Worthing Councils needed to plan to be fully self-funding by 2020/21, as Revenue Support Grant was quickly removed. The Council's strategy should not simply be to 'keep the books balanced' or 'deal with austerity', but to fundamentally rethink roles and transform how services were delivered.

Members noted that over the summer, the Operational Leaders Group (Heads of Service) would work with the Councils Leadership Team, through the new Strategic Boards, to develop a clear strategic programme of work to deliver the financial targets which had been mapped out in the report. The programme would be presented to Joint Strategic Committee for approval in December 2015.

Decision

The Joint Strategic Committee:-

- (a)noted the report and the outline 5-year forecasts in Appendix 3;
- (b)approved the proposed budget process as set out in section 8 of the report;
- (c)recommended that Adur and Worthing Councils approve the Budget Strategy for 2016/17 outlined in Section 10 of the report.**

JSC/020/15-16 Capital Strategy 2015 – 2018

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 9.

The report sought the approval of the Council's Capital Strategy for 2015/18 which outlined the approach to capital investment and how the Councils ensured that capital investment was directed to Council Priorities. It also set out the basis for prioritisation of capital bids included in the 3 Year Capital Investment Programme and the monitoring of the programme.

The Committee were informed that the refuse and recycling vehicle fleet needed replacement during 2016/17. The vehicles had originally been purchased in 2007/08 and were reaching the end of their economic life. The expected cost of the new fleet was £4,500,000 which was substantially higher than initially expected and reflected recent increases in the cost of the vehicles. The purchase of the vehicles would be the subject of a separate report to the Joint Strategic Committee.

Members also noted that sufficient resources needed to be set-aside for the Adur and Worthing partnership to fund the replacement of the current financial management system planned in 2016/17. The current system was now over 10 years old and the Council needed to replace it with a more efficient modern system.

The Committee requested that PIDS be circulated to the appropriate Executive Member 3 days in advance of a decision by the Chief Financial Officer and the Head of Service.

Decision

The Joint Strategic Committee recommended to Adur and Worthing Councils that the Capital Strategy 2015/18 be approved, as amended.

JSC/023/15-16 Western Harbour Arm Flood Defence Solution

Before the Committee was a report by the Director for the Economy, copies of which had been circulated to all Members and a copy of which is attached to the signed copy of these Minutes as Item 12.

The report outlined the funding secured from the Governments Growth Deal towards delivering a comprehensive flood defence solution for Shoreham Harbours Western Harbour Arm. The report explained that the most effective use of this funding would be to deliver a flood defence solution for the Sussex Yacht Club and Kingston Beach sections of the Harbour as outlined in the draft Flood Defence Management Guide.

The report recommended that the two flood defence projects should be added to Adur District's Capital Programme for 2015/16 and 2016/17.

The Committee noted that the main complication for the Yacht Club site was that any flood defence solution was likely to require compensatory habitat due to the loss of intertidal mud flats. The provision of a flood defence wall slightly beyond the existing wall was necessary to create public access to the river frontage, as envisaged by the adopted Development Brief and Flood Management Guide. However, this would result in the loss of mud flats which were internationally recognised as important habitat and replacement habitat would be required elsewhere along the River.

In light of the problems caused by the lack of compensatory habitat for the various flood defence schemes planned, Members would be recommended to pursue the purchase of additional land to the north of the A27 to ensure not only the delivery of the flood defence solution at the Yacht Club but also to assist the provision of a new public slipway and stepped quay at Tarmount Hard.

Members expressed support for the proposals as flooding had been a very real problem in these locations and resolution was urgently required.

Decision

The Joint Strategic Committee:-

- i) noted the report and recommended to Adur District Council that the flood defence scheme for the Sussex Yacht Club and Kingston Beach be added to Adur District's Capital Programme for 2015/16 and 2016/17 with a total budget of £3.5m funded by the Growth Deal;**
- ii) authorised Officers to negotiate the purchase of land or pay for capital works, to ensure that sufficient compensatory habitat was provided for the delivery of the flood defence solution at the Yacht Club / Kingston Beach and to assist the provision of a new public slipway and stepped quay at Tarmount Hard.