

Minutes of the Cabinet meeting held on Tuesday, 5 March 2019 in Committee Rooms 1 & 2 - Deanes, Basingstoke and Deane Borough Council at 6.30 pm

Members of the Cabinet in attendance: Councillor C Sanders (Chair), Councillor T Reid, Councillor S Bound, Councillor H Eachus, Councillor H Golding, Councillor J Izett, Councillor M Ruffell and Councillor R Tate

71/18 Apologies for absence

There were no apologies for absence.

72/18 Declarations of interest

There were no declarations of interest.

73/18 Urgent matters

The Leader stated that due to the conclusion of recent negotiations regarding the Eli Lilly project, it was impossible to prepare a report for consideration by Cabinet within the normal timescales. In order to progress the project council approval for funding was required and therefore the report would be considered as a matter of urgency at the end of the meeting.

74/18 Minutes of the meeting held on 5 February 2019

The minutes of the meeting held on 5 February 2019 were confirmed as an accurate record and signed by the Chair.

75/18 Adoption of the Upper Cufaude Farm Development Brief Supplementary Planning Document

The Cabinet Member for Planning and Infrastructure introduced the report, which outlined the consultation that had taken place regarding the draft SPD, the feedback that had been received and the key changes that were proposed as a result. He stated that the development brief accords with the principles of the Local Plan and was supported by Members. It sets out a framework for how developments would be achieved, how they reflect the designs and layouts appropriate for the sites. He summarised the development principles set out in the brief which included a mix of market homes, a mix of affordable housing, provision of a primary school, provision of community infrastructure, consideration of highway impacts, the protection of cycling and walking routes, links to public transport and respect for the rural landscape.

Members of the public Mr Cleeve and Mr Beevers addressed the Cabinet. Mr Cleeve raised concern regarding the impact that the development would have on the environment, in particular amphibians as Cufaude land was a registered toad crossing. He also raised concern regarding the accuracy of a report submitted by

environmental consultants on behalf of a developer and suggested that independent environmental consultants should be used.

Mr Beevers also raised concern regarding amphibian migrations at Cufaude Lane and felt that action should be taken to save, protect and enhance the amphibian population. He also considered that an appropriate Transport Assessment for Cufaude Lane should be a pre-requisite to a decision on an outline planning application and the development brief should be revised accordingly. Furthermore developer contracted surveys should be replaced by an independent credible approach to deliver qualitatively better results and environmental outcomes and that the planning process should take account of species movement and population.

The Cabinet Member for Planning and Infrastructure thanked the speakers for their comments. He stated he would consider the points that had been raised and invited them to make further representations to him in relation to amphibians. Furthermore he recommended that consideration be given to whether the wording in the SPD could be strengthened in order to recognise the shared concerns over the proposed development and increase in road use and its inter-relationship with the native amphibian population.

Resolved: That Cabinet

- 1) Note the contents of the report and the proposed changes to the Upper Cufaude Farm Development Brief Supplementary Planning Document. (Appendix 1 of the report);
- 2) Recommend that the Executive Director of Borough Services in consultation with the Portfolio Holder for Planning and Infrastructure, consider the written and oral representations made in relation to amphibians and delegate authority to amend the wording in the Development Brief in order to strengthen the wording to recognise our shared concerns over the proposed development and increase in road use and its inter-relationship with the native amphibian population.

Recommendation to Council: That Council adopt the Upper Cufaude Farm Development Brief Supplementary Planning Document.

Reasons for the decision:

The UCFDB provides detailed guidance in order to help ensure the successful development of the Upper Cufaude Farm housing allocation site. Its production has been informed by discussions with local Councillors, parish councils and technical consultees and the draft version has been refined in light of the comments provided through the public consultation process

76/18 **Economic Growth Strategy**

The Leader of the Council introduced the report, which proposed a strategic approach to support economic development in the borough. It aimed to build on strengths, address challenges and seize opportunities based on the feedback

received through the consultation and engagement process. It also responded to the aspirations and ambitions for the future of the borough as set out in the Horizon 2050 vision.

Mr Beevers addressed the Cabinet stating that comments he had submitted as part of the consultation process had gone astray. He requested that there should be a process for future consultations to ensure they are published consistently with more than one submission route and clear contact details. He considered the strategy a good document however felt that the strategy was incomplete if it did not highlight or communicate to every business and resident, that as well as clean growth the strategy must lead to other reductions in the ecological footprint encompassing; everything that is made or built; marketed, sold, bought, used, reused and disposed of, grown, harvested or taken out of the ground.

The Leader of the Council responded to the comments stating that there was a clear instruction from residents in relation to Horizon 2050 that they wished to see the impact on the environment reduced and therefore everything the council could have an influence over should be taken into account.

Resolved: That Cabinet adopt the Economic Growth Strategy.

Reasons for the decision

This strategy proposes a multi-pronged approach to economic growth and through effective partnership working, a clear and focused action plan and strong leadership and governance, the borough has every chance of economic success for years to come.

77/18 Revenue and Capital Monitoring as at 31 December 2018

The Cabinet Member for Finance, Service Delivery and Improvement introduced the report, which presented the forecast, as at the 31st December, for revenue and capital expenditure and income up to the end of the financial year and compared it with the budget. The report also identified risks and issues, which could have significant financial impacts. He stated that at the end of the quarter net revenue expenditure forecast was £678,000 below budget and capital expenditure was £81,000 lower than budget. He added that the revenue expenditure variance related to cost savings across a number of projects.

Resolved: That Cabinet

note that:

- 1) Forecast net revenue expenditure on services in 2018/19, before transfers to reserves, is forecast to be £678,600 lower than the latest budget i.e. after removing carry forwards agreed in the 2019/20 budget report.
- 2) Forecast capital expenditure in 2018/19 is £81,000 lower than the latest budget and the treatment of any final variation will be decided in the Revenue and Capital Outturn Report to Cabinet in June.

approve the following contributions to reserves, subject to a maximum of £500,000 for each item as set out in financial regulations:

- 3) The additional budget carry forwards of £72,000 as outlined in section 4 of the report.
- 4) A transfer of any outturn surplus relating to additional rent income (currently forecast to be £88,500) to the Rent Risk Reserve in accordance with financial policies.
- 5) A transfer of any outturn surplus relating to interest income (currently forecast to be £89,000) to the Interest Risk Reserve in accordance with financial policies.
- 6) A transfer of unspent strategic budget for Basing View (currently forecast to be £118,000) to the Basing View Revenue Reserve.

Recommendation to Council: That Council approve:

- 7) A transfer of budget of £680,000 for Manydown project costs from capital to revenue, to ensure that the accounting treatment of Manydown project costs is in accordance with the accounting code of practice.
- 8) That any revenue outturn surplus or deficit that remains after transfers to reserves, currently forecast to be a surplus of £311,100, will be transferred to the Stability and Resilience Reserve, in accordance with financial policies

Reasons for the decision

In accordance with the council's financial regulations Cabinet approval is required for reserve movements and carry forward requests up to £500,000, for amounts exceeding £500,000 Council approval is required.

78/18 Adoption of Heritage Supplementary Planning Document

The Cabinet Member for Planning and Infrastructure introduced the report which outlined the consultation that had taken place on the Heritage SPD, the feedback that had been received and the key changes that were proposed as a result. He stated that the SPD added further detail to the policies in the adopted Local Plan, which aim to protect and maintain the borough's historic environment and enhance its natural and physical environment. He added that the SPD would apply to planning applications and would underpin the consideration of listed building consent applications.

Resolved: That Cabinet note the content of the report and the proposed changes to the Heritage Supplementary Planning Document (Appendix 1 of the report);

Recommendation to Council:

That Council adopt the Heritage Supplementary Planning Document; and that The Historic Environment: Listed Buildings SPG (2003); The Historic Environment: Buildings of Local Interest SPG (2003); and Farm Diversification and Traditional Farmsteads SPD (2007) be withdrawn.

79/18 **Priestley Road Campus and Plot K Basing View Update**

The Cabinet Member for Property and Development introduced the report which set out a proposal for additional funding to enable the Eli Lilly project to proceed. He stated that since the cabinet decision in 2017 to approve funding for the project, additional construction costs had been incurred which related to car park design, sewer diversion, changes to the façade of the building, and worse than expected ground conditions. Following a long and challenging period of negotiations a revised agreement, between the parties, had been reached and therefore approval for additional funding was sought.

Resolved: That Cabinet

- 1) Note the reasons for the increases in development costs and the proposed additional funding of part of this increase by the council as investor, the developer and the tenant.
- 2) Note that for the purpose of section 123 of the Local Government Act 1972 the new development continues to represent best consideration for the council's land holding.
- 3) Subject to Council approval of the additional budget, approve the release of the budget in accordance with the confidential financial appendix 1 of the report.

Recommendation to Council:

Cabinet recommends Council to agree an increase of £1.2 million in the council's capital budget, comprising £0.5m additional BDBC investment and £0.7 million LEP loan, for the investment in a new office building on Basing View with a revised capital budget of £24.3 million, funded from a lease surrender premium, capital receipts, LEP grant and loan and the use of £8.9 million from Property Investment Strategy funds.

Reasons for the decision:

Further due diligence on the preliminary construction costs for the new HQ building for Eli Lilly has revealed increased project costs in a number of significant areas. In order to achieve a viable project cost plan the parties involved have carried out value engineering and further commercial negotiations. The revised proposed cost plan agreed will enable the project to proceed.

The revised proposal continues to provide an opportunity to increase the council's revenue return; generate a capital receipt to fund core services; safeguard highly

valued local jobs with an employer synonymous with the borough; expand the council's property portfolio with a modern, well-let asset; continue the office-led regeneration of Basing View and bring forward a further significant site, K, for re-development.

The meeting ended at 7.15 pm.

Chairman