

# Cabinet

Thursday 17<sup>th</sup> September 2015 at 5.30pm  
Conference Room, Parkside, Chart Way, Horsham

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Councillors:	Ray Dawe	Leader
	Jonathan Chowen	Deputy Leader and Leisure and Culture
	Philip Circus	Housing and Public Protection
	Roy Cornell	Waste, Recycling and Cleansing
	Brian Donnelly	Finance and Assets
	Gordon Lindsay	Local Economy
	Kate Rowbottom	Community and Wellbeing
	Claire Vickers	Planning and Development

You are summoned to the meeting to transact the following business

Tom Crowley  
Chief Executive

## Agenda

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	<b>Page No.</b>
1. Apologies for absence	
2. To approve as correct the minutes of the meeting of the Cabinet held on 23 <sup>rd</sup> July 2015 (attached)	1
3. To receive any declarations of interest from Members of the Cabinet	
4. To receive any announcements from the Leader, Cabinet Members or the Chief Executive	
5. To receive questions from and provide answers to the public in relation to matters which in the opinion of the person presiding at the meeting are relevant to the business of the meeting	
6. To consider any matters referred to Cabinet by the Scrutiny & Overview Committee - There are no matters currently outstanding for consideration	
7. To consider matters of special urgency	
8. To consider the following exempt or confidential report:	
	<b>Reason for exemption</b>
Report of the Cabinet Member for Leisure & Culture on Rookwood Golf Course – deed of variation to service contract	Paragraph 3 5



**THE CABINET**  
**23<sup>RD</sup> JULY 2015**

Present:	Councillors:	
	Ray Dawe	Leader
	Jonathan Chowen	Leisure and Culture
	Philip Circus	Housing and Public Protection
	Roy Cornell	Waste, Recycling and Cleansing
	Brian Donnelly	Finance and Assets
	Kate Rowbottom	Community and Wellbeing
	Claire Vickers	Planning and Development

Apologies: Gordon Lindsay Local Economy

Also present: Councillors: John Blackall, Toni Bradnum, Karen Burgess, John Chidlow, Leonard Crosbie, Nigel Jupp, Christian Mitchell, Godfrey Newman, Jim Sanson, David Skipp, Michael Willett

EX/8 **MINUTES OF THE MEETING OF 4<sup>TH</sup> JUNE 2015**

The minutes of the meeting of the Cabinet held on 4<sup>th</sup> June 2015 were approved as a correct record and signed by the Leader.

EX/9 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

EX/10 **ANNOUNCEMENTS**

There were no announcements.

EX/11 **PUBLIC QUESTIONS**

No questions had been received.

**REPORT BY THE CABINET MEMBER FOR FINANCE AND ASSETS**

EX/12 **Property Investment Fund**

The Cabinet Member for Finance and Assets reported that the Council had an existing investment property portfolio valued at approximately £30,000,000 and producing an income of £2,500,000, which contributed to revenue streams.

With the expected pressure on local authority incomes and the need to continue to support local services, it was important for the Council to explore ways of increasing revenues and the expansion of the investment property portfolio had been identified as one such opportunity.

EX/12 Property Investment Fund (cont.)

By increasing investment in property, which could deliver high yields, the Council's income would increase. However, there was some risk associated with further property investment as the value of assets could also go down. This risk would be managed by careful asset selection, which would be directed at lower risk investments, with a focus on property within or near Horsham District.

It was recommended that £5,000,000 should be allocated for investment in commercial property, with decision making on investments being made by the Cabinet Member for Finance and Assets, under existing delegated authority, following consultation with members of the Property Investment Advisory Group. It was anticipated that purchases would normally achieve a 6% income return.

Cabinet supported the proposal.

**RECOMMENDED**

***That a supplementary capital estimate be approved in the sum of £5,000,000 for the expansion of the Council's existing property investment portfolio.***

**REASON**

***To allow the expansion of the Council's property portfolio in order to increase the contribution that these assets make to Council revenues.***

**REPORT BY THE DIRECTOR OF CORPORATE RESOURCES**

EX/13 **Medium Term Financial Strategy 2016/19**

The Director of Corporate Resources reminded Cabinet that the Council's Medium Term Financial Strategy had last been reviewed by the Council on 25<sup>th</sup> February 2015 as part of the annual budget setting cycle.

Since that review, the economic outlook had become steadier and more certain. The new Government had announced its summer budget on the 8<sup>th</sup> July 2015 and a further announcement had also been made regarding savings targets for future Government spending. However, it was still not clear how these savings would be achieved and the impact on the Council would not be known until the autumn statement and the settlement announcement were made.

The Director of Corporate Resources considered that the budget projections for 2016/17 were reasonable based on the information currently available but that the impact of Government cuts might be steeper in future years. However, it was necessary to continue with budget preparations for 2016/17 based on current

EX/13 Medium Term Financial Strategy 2016/19 (cont.)

assumptions, making any necessary adjustments as more information became available. Therefore, over the coming months, Cabinet would review options and develop proposals before finally submitting its recommendations for the 2016/17 budget to Council.

The report submitted referred to:

- the Council's financial strategy objectives;
- the assumptions on which future budget projections were based, including those in respect of the localisation of business rates, New Homes Bonus and Council Tax increases;
- the Council's internal budget challenge process;
- the current capital programme and its funding;
- the business transformation programme; and
- reserves.

Cabinet discussed the need to continue looking at how the Council delivered its services to ensure that this was done at the best cost and how to achieve further savings, efficiencies and increased income in order to meet the projected deficit.

RESOLVED

That the projected budget gap detailed in the report be noted and that strategies be brought forward to deal with the projected deficit during the 2016/17 budget setting process.

EX/14 **SCRUTINY & OVERVIEW COMMITTEE – MATTERS REFERRED TO CABINET**

There were no matters currently outstanding for consideration.

EX/15 **MATTERS OF SPECIAL URGENCY**

There were no matters of special urgency to be considered.

The meeting closed at 6.15pm having commenced at 5.30 pm.

LEADER

