

## **Performance and Finance Scrutiny Committee**

22 February 2021 – At a meeting of the Performance and Finance Scrutiny Committee held at 10.30 am by virtual meeting with restricted public access.

Present: Cllr J Dennis (Chairman)

Cllr Montyn	Cllr M Jones	Cllr Sparkes
Cllr Barrett-Miles	Cllr Kitchen	Cllr Waight
Cllr Boram	Cllr Lea	Cllr Patel
Cllr Bradford	Cllr Smytherman	

Apologies were received from Cllr Catchpole, Cllr Hillier, Cllr Turner and Cllr Walsh

Also in attendance: Cllr Hunt and Cllr Lanzer

### **Part I**

#### **106. Declarations of Interest**

106.1 Cllr Kitchen declared a personal interest in relation to Horsham Enterprise Park as a Member of Horsham District Council and Chairman of that council's planning committee.

#### **107. Minutes of the meeting on 3 December 2020**

107.1 Resolved – That the Minutes of the meeting held on 3 December 2020 be approved as a correct record and that they be signed by the Chairman.

#### **108. Part I Minutes of the meeting on 20 January 2021**

108.1 Resolved – That the Part I Minutes of the last meeting held on 20 January 2021 be approved as a correct record and that they be signed by the Chairman.

#### **109. Part II Minutes of the meeting on 20 January 2021**

109.1 Resolved – That the Part II Restricted Minutes of the last meeting held on 20 January 2021 be approved as a correct record and that they be signed by the Chairman.

#### **110. Part II matters**

110.1 Members commented that some of the information in the Horsham Enterprise Report restricted Annex A was already in the public domain. The Chairman explained that the financial sensitivities of the discussion on the item need to be in Part II, and agreed that the Committee's recommendations be published in Part I for transparency.

## **111. Response to Recommendations**

111.1 Resolved – That the Committee notes the response from the Cabinet Member for Finance regarding the Committee’s recommendations concerning the Broadbridge Heath Regeneration Scheme.

## **112. Possible Items for Future Scrutiny**

112.1 The Committee considered the extract of the Forward Plan of Key Decisions. No additional items or decisions were identified for addition to the committee’s work programme.

## **113. Date of Next Meeting**

113.1 The Committee notes its next meeting will take place on 11 March 2021 at 10.30am by virtual meeting.

## **114. Award of Contract: Horsham Enterprise Park Delivery Partner**

114.1 The Committee considered the report by the Director of Property and Assets which outlines the proposal to appoint the development partner for the Horsham Enterprise Park (HEP) project (copy appended to the signed minutes).

114.2 The Director of Property and Assets outlined the key aspects of the scheme and noted the aim of the project is to create jobs in the Horsham area, enhance the local economy, to secure a financial return for the council, and to retain an interest in the site until complete to ensure it is developed in line with the council’s requirements.

114.3 The Committee made comments on the HEP project including those that follow. It:

- Commented that as much information as is legally possible should be included in the public papers to aid transparency for the public.
- Sought clarification of the costs for the project in the current year, as detailed in the Budget 2021/22 papers, and the total cost to the end of the project term. *The HEP Programme Manager confirmed the difference in figures was due to minor slippage in the timing of enabling works and the associated spend, and confirmed the project will still complete within its estimated total costs.*
- Highlighted the importance of the project achieving value for money, bringing future returns, and control being retained by the council to ensure development in line with our requirements.
- Queried the impact on the scheme of the prevailing economic circumstances due to Covid. *The Cabinet Member for Economy and Corporate Resources stated there has been a strong level of commercial interest in the site.*
- Queried how the capital return is described in the papers as contractual and therefore guaranteed or partly conditional on future events. *The Cabinet Member for Finance confirmed the figure contains both contractual and anticipated returns. This investment will provide a capital return for the council which is valuable for future budget planning.*

- Welcomed the progression with this development moving to the next stage, and supported the aims of creating employment and enterprise opportunities in the Horsham area.

In order to consider restricted Annex A, the public and press were excluded from the meeting under Part I of Schedule 12A of the Local Government Act 1972, paragraph 3 Financial or business affairs. The public meeting was closed at 11.07am and the Committee entered private Part II discussion until 12.29pm. The Part I public summary of the Part II restricted discussion is as follows. It:

- Asked questions on the projected outcomes of the project, the procurement process, and progress monitoring.
- Provided comment on the financial and risk information provided.
- Broadly supported the progress of the project.
- Asked that as much information as possible be included in the public account of the decision.

114.7 Resolved – That the Committee:

- 1) Welcome the progress of the scheme and it moving to the next phase by the award of the contract for the development partner;
- 2) Welcome the intention for the scheme's progress being included in quarterly capital programme monitoring report, and request that it include scheme milestones;
- 3) Request that the calculation of costs be clarified to include the full timescale of the project to 2025/26;
- 4) Ask that the report should differentiate between the capital receipts which are contractually guaranteed and those that are conditional;
- 5) Suggest that the presentation of the project risks should include reference to sensitivity analysis for the scheme; and
- 6) Request that information be included in public papers where legally possible to aid transparency.

The meeting ended at 12.29 pm

Chairman