

By: Leader of the Council
To: County Council – 11 December 2008
Subject: Quarterly Report on Urgent Key Decisions

Classification: Unrestricted

Summary: To report that an urgent Key Decision was taken in the last quarter.

1. The Constitution requires me to provide a quarterly report to the Council of any Key Decisions which were taken as urgent matters during the previous three months.
2. One urgent Key Decision has been taken in the last quarter as set out below:-

Arts Council (ACE) and South East England Development Agency (SEEDA) Funding Agreements for Turner Contemporary

This decision was taken by Mr N Chard, Cabinet Member for Finance. The reason for the urgency was that although ACE resolved to award the funding at its National Council meeting on 1 July 2008 we did not receive the first draft of the conditions of funding until 1 August and did not receive the full funding document until 5 August. Both the draft and the full document included a condition of £1m contingency per annum for 10 years. We had been discussing the contingency clauses with ACE but a condition of £1m per year was completely unexpected. We contacted the ACE immediately that such a condition would be unacceptable and a meeting was arranged with ACE and SEEDA on 13 August to resolve the matter.

Following the meeting on 13 August ACE agreed to send a revised funding agreement for KCC to annotate comments. This was received on 18 August and KCC replied with our proposed changes, including a contingency of £1m over 10 years rather than £1m per year for 10 years. We did not receive ACE response until 15 September 2008.

SEEDA approved the funding allocation at its Major Projects Board meeting on 22 July 2008. We did not receive their first draft of conditions of funding until 22 September 2008, although we were aware these would be similar to ACE conditions. The SEEDA conditions confirm contingency of £1m over first 10 years.

These timescales meant it was impossible to include a decision in the September Forward Plan as the deadline for submissions was 3 September and at that stage we did not know the outcome of negotiations on the contingency clause with ACE and SEEDA. We needed to sign and return funding agreements within 30 days i.e. 15 October for ACE and 22 October for SEEDA. In order to sign the agreements we needed a key decision to earmark the £1m contingency from reserves. The publication of the October Forward plan would not allow for a decision within these timescales.

3. In accordance with the Constitution the Chairman and Spokesmen of the Cabinet Scrutiny Committee agreed to the taking of this decision as a matter of urgency.

4. The County Council is requested to note this report.

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