

BRIGHTON & HOVE CITY COUNCIL
POLICY, RESOURCES & GROWTH COMMITTEE

4.00pm 8 DECEMBER 2016

COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 3BQ

MINUTES

Present: Councillors Morgan (Chair), Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Bewick, Janio, Mitchell, A Norman, Sykes and Wealls

PART ONE

72 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

72.1 There were no substitutes.

(b) Declarations of Interest

72.2 There were no declarations of interests in matters listed on the agenda.

(c) Exclusion of Press and Public

72.3 The Committee considered whether the press and public should be excluded from the meeting during the consideration of any of the items listed on the agenda.

72.4 **RESOLVED:** That the press and public be excluded from the meeting during consideration of the items contained in part two of the agenda.

73 MINUTES

73.1 **RESOLVED** – That the Chair be authorised to sign the minutes of the previous meeting held 13 October 2016.

74 CHAIR'S COMMUNICATIONS

74.1 There were none.

75 CALL OVER

75.1 All items were reserved for discussion.

76 PUBLIC INVOLVEMENT

76.1 The Chair noted there was one petition referred from Council entitled 'Save the Dyke Pub', the Chair noted the designation of the pub as an asset of community value had progressed; he noted that the full response would be circulated as part of the minutes, as set out below.

"Change of use of the Dyke Pub to a shop is now allowed due to the Government's change to permitted development rights last year – a change was made to the General Permitted Development Order that allows change of use from a public house to retail use without needing planning permission. Only pubs either listed or nominated as assets of community value are exempt from this right.

The owner of the Dyke Pub followed the correct procedure in carrying out the change of use by writing to the local planning authority, 56 days before, to seek advice as to whether the pub has been nominated as an ACV. This request for advice is not subject to any publicity or consultation requirements. The legal advice is that to give such a notification publicity would be ultra vires (outside the rules) and therefore challengeable.

In the case of the Dyke Pub an ACV nomination was not received for the public house before or during the 56 day period and, as a consequence, the developer was permitted to change the use of the pub to a shop.

We have now received the community's nomination of the former pub as an ACV – and the petition in support of reinstatement of the pub has been noted when considering the nomination. The nomination has been considered against the tests set out in the legislation and relevant case law. (The decision will be issued on Tuesday 6 December and it is to agree that the premises should be listed as an ACV – a copy will be sent to the nominees and the owner). The owner has a right of appeal against this decision.

As a consequence of this decision there will be a 6 month moratorium on the sale of the premises on the open market – and the local community will that time to bid for the site. The owner is not compelled to accept the bid. The ACV status of the premises will be a material consideration in relation to all future planning applications on the site.

In terms of looking forwards, it is recognised that pubs are often an important asset to local communities and officers are currently looking into the best approach to tackle the unwanted loss of pubs in the future. This includes improving guidance on the website and consideration of an Article Direction to remove the permitted development right (which needs to be weighed up against other priorities to prepare City Plan Part 2 and to apply to remove other permitted development rights)."

76.2 **RESOLVED** – That the Committee note the report.

76.3 The Chair noted there was one deputation in relation to Disposal of the Downland Estate, that also related to Item 77 c) and d), a letter and Notice of Motion, on the same subject matter. The Chair agreed to hear all three items together before open the matter up for debate, and then moving to a vote on each item.

76.4 The Chair called forward Dave Bangs to come and present his deputation to the Committee.

76.5 Dave Bangs stated:

“There has been a major failure of vigilance amongst Councillors of all parties and the wider public in protecting our public downland. Critically this is because of the disconnect between the council’s leading bodies and individuals and our downland estate which is partly the result of its highly secretive arm’s length management by senior officers and a land agency Saville’s which is based 34 miles away. As a result Councillor’s have failed to recognise the importance of the for sale sites so daftly described as ‘non-core assets’. Part of a nature reserve managed for over 50 years by the Sussex Wildlife Trust and the National Trust and an important bat cave with 4 scarce resident bat species which has been monitored by experts for decades was sold behind the backs of their managers with the view to accruing future capital gains from development. A field which has been part of the devil’s dyke estate for nearly 90 years and which both frames and protects the dyke lands cave from built developments is now at threat, an urban fringe small holding which local growers wish to see returned to useful food production has now been sold at an inflated price beyond their reach. A nationally important wildlife site on the South Downs Way which is let to an institutional tenant which is a serial polluter of vitally important chalk streams is now at risk of sale. There’s no financial case for pursuing the remaining two sales they would accrue only some 6% of the total possible sales value though they constitute some 80% of the for sale area. They are both key parts of the Brighton downs park landscape. Local Authority downland estate in the South Downs National Park at Worthing, Brighton, Eastbourne, Adur and Lewes are the main partners the new national park authority has for driving forward its programme of public benefit and improvement; for access, for recreation, for health, for the rewards of closeness to nature and for the production of locally healthy food stuffs. Without these big democratically accountable land holdings the national park would be left naked like the emperor with no clothes. The park authority itself doesn’t even own its own public toilets.

“This doesn’t have to be a party political issue without the Conservative’s support for the estate over many decades and 20 years when Steve Bason attempt to flog it all off we wouldn’t have this wonderful resource today. Without Labour’s excellent legalisation of open access in their Countryside Act (2000) the Green’s would not have driven forward the big programme of access land designations over 2000 acres of new access land on the downland estate just in the last decade. There’s every reason why we should all pull together- all of us – to reconnect with our council’s heritage and open up a new phase of landscape restoration rehabilitating degraded wildlife habitat and enlarging our collective contact with nature. Our down land estate generates a good rental income in perpetuity, it opens the door to all of us for access over a huge tranche of our local country side, it enables superb conservation management despite the rigors of our recession hit economy and it safeguards this landscape against a host of damaging changes that threaten the countryside elsewhere outside our property boundaries. Changes that the planning system does not touch for; intensive agriculture, neglect, blood sports, quasi-industrial uses, and uses with excluding security indications like high fences, floodlights and CCTV cameras.

We think the future can be made safe by agreement on three simple points: a permanent stop on all Brighton down land estate sales; the redefining of all our council owned down land as 'core assets' in the asset management plan and an ongoing, open and public discussion of the direction, management and goals of this superb public resource."

- 76.6 The Chair then called upon Councillor Sykes to speak to the letter on behalf of the Green Group.
- 76.7 Councillor Sykes highlighted that the land was 'entrusted' to the city; however, the authorities that acted as custodians of the land were constrained in their ability to protect due to their own financial pressures. The letter requested that the sale of the land be halted to allow the issue to be reconsidered as appropriate.
- 76.8 Councillor Janio formally proposed the joint Notice of Motion on behalf of the Conservative and Green Groups. He stated that there was concern the Council's Asset Management Policy was 'out of step' with the views of residents; the suggestion was the creation of a policy panel that could meet to consider the policy and make recommendations to the Committee.
- 76.9 Councillor Sykes formally seconded the Notice of Motion. He stated the letter and Notice of Motion were not a criticism of the service; however, this issue had highlighted the importance of some pieces of land, and it was hoped the panel would be positive and constructive.
- 76.10 Councillor Mitchell welcomed the proposal to set up the policy panel, she noted the Labour Group would be supporting the Notice of Motion.
- 76.11 Council G. Theobald stated that he understood the concerns raised by the public, and was happy to support the Notice of Motion.
- 76.12 Councillor Janio responded to the debate and thanked the Committee for its support.
- 76.13 The Chair then put the recommendations to the vote.
- 76.14 **RESOLVED** – That the Committee note the deputation.
- 76.15 **RESOLVED** – That the Committee note the Member Letter.
- 76.16 **RESOLVED** – That the following Notice of Motion be agreed.

'We note that the downland estate has been preserved to protect our City's aquifer and is greatly valued for its biodiversity, heritage, landscape and amenity. Many of these unique characteristics are under statutory designation but in the current climate this in itself does not guarantee protection.

There has been considerable concern expressed at the planned sales of parcels of the downland estate. These sales have been developed under the auspices of our Asset Management Plan (AMP) and aim to raise capital funds towards the restoration and

development of Stanmer Park, as agreed by all parties in committee meetings in 2014 and 2016.

Notwithstanding the above, we consider that some elements of the decisions previously approved would have benefited from greater scrutiny at the time, and positive changes to the governance of downland estate disposals are desirable to increase the profile of such proposals.

Furthermore we request the establishment of a Policy Review Panel to consider governance and policy with respect to the City's urban and rural estates. Concerning the above this will include:

- A review of respective sections of our AMP as they concern downland asset definition and disposal;
- Review of the Scheme of Delegation financial threshold for sensitive asset disposals to promote full scrutiny by Members;
- The involvement of local conservation bodies'

77 MEMBER INVOLVEMENT

77.1 The discussion and votes on this item is set out at minute Item 76.

78 TARGETTED BUDGET MANAGEMENT (TBM) 2016/17 MONTH 7

78.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targetted Budget Management (TBM) 2016/17 Month 7. The Targetted Budget Monitoring (TBM) report was a key component of the Council's overall performance monitoring and control framework. The report set out an indication of forecast risks as at Month 7 (October) on the council's revenue and capital budgets for the financial year 2016/17.

78.2 In response to Councillor Sykes it was explained that there was pressure on the community equipment budget, the intention was to manage this through the Better Care pool of funding and see what corrective action and recovery measures could be taken; if this could not be managed there was a risk arrangement of 50/50 with the CCG. Councillor A. Norman noted that the importance of returning equipment should be emphasised with service users.

78.3 Councillor Mac Cafferty moved the joint amendment on behalf of the Green and Conservative Group. He lighted the importance of the historic down land and noted that the additional recommendation sought to halt the sale of the land to allow a full report to be brought to the next meeting of the Committee.

78.4 Councillor Janio formally seconded the amendment.

78.5 Councillor Hamilton noted that the distinction had not been clear between 'core' and non-core' assets; he welcomed the report and improved transparency of the Council's management of its assets. He noted he would support the proposed amendment.

- 78.6 Councillor Janio highlighted it was still the intention that the work be progressed with the HLF funds, but HE hoped that the matter could be clarified in the report to the next Committee.
- 78.7 The Monitoring Officer clarified that the wording of the proposed amendment was to provide a period of pause in the sale process, to allow the Committee to consider the report to the next meeting in full without any pre-determination.
- 78.8 The Chair then put the proposed amendment to the vote. This was **carried**.
- 78.9 The Chair then put the amended recommendations to the vote. These were **carried**.
- 78.10 **RESOLVED:**
- 1) That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £3.450m. This includes a pressure of £0.419m on the council's share of the NHS managed Section 75 services.
 - 2) That the Committee note that total recurrent and one-off risk provisions of £3.000m, less additional restructure and redundancy commitments, are available to mitigate the forecast risk if the risks cannot be completely eliminated by year-end.
 - 3) That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £1.466m.
 - 4) That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.215m.
 - 5) That the Committee note the forecast outturn position on the capital programme and approve the variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.
 - 6) That the Committee approves the establishment of a Community Equipment Store reserve of £0.350m (see Adult Social Care section of Appendix 2).
 - 7) That the Committee agrees to halt the disposal process with respect to two parcels of the city's Downland estate namely 'Land at Plumpton Hill' and 'Land at Poynings' and that an urgent report be brought to the January 2017 Committee meeting detailing alternative options in relation to the proposed disposal process referred to in Policy and Resources Committee of 11th February 2016, and that these options take account of any impact affecting the HLF Stanmer Park bid.

79 BUDGET PLANNING & RESOURCE UPDATE - DRAFT PROPOSALS 2017/18 - 2019/20

- 79.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Budget Planning & Resource Update - Draft Proposals 2017/18 - 2019/20. The report provided draft proposals to meet the £24.3 million savings requirement in 2017/18 along with outline proposals for 2018/19 and 2019/20. As before, proposals

included invest-to-save requirements in order to achieve planned savings; these would be supported by one-off resources subject to the approval of business cases. It was noted that the draft proposals did not meet the budget gap in full and there is a shortfall of £3.2 million for which further options are being considered as set out in paragraph 3.24.

- 79.2 In response to Councillor Wealls it was explained there was a robust methodology for calculating demand for children's and adults' services; however, the nature of these service left them open to significant spikes in costs, especially in relation to children's care proceedings. In relation to adults' services it was highlighted that demand and inflation was becoming difficult for all local authorities to manage nationally.
- 79.3 Councillor Sykes noted his concern with the scale of the savings proposed in the report; he also highlighted the increased use of language in relation to 'demand reduction', but queried where this demand would go.
- 79.4 Councillor Hamilton noted that the proposals were still very much a work in progress, and highlighted the Council was still projected a £3.5M overspend at year end. He went on to highlight to high cost of the voluntary redundancy scheme, and the scale of the pressure on the Council's budget.
- 79.5 Councillor Janio asked the Administration to work with both opposition parties in an open dialogue during the budget setting process.
- 79.6 The Chair then put the recommendations to the vote; these were carried with 4 in support and 6 abstentions.
- 79.7 **RESOLVED:**
- 1) Notes the updated forecasts for resources and expenditure and an estimated budget gap for 2017/18 based on a 1.99% Council Tax increase and an additional 2% Adult Social Care precept.
 - 2) Note the Budget Strategy and approach to meeting the financial challenge next year and over the life of this parliament.
 - 3) Notes the refreshed 4 year ISFPs including detailed draft proposals for savings in 2017/18 towards meeting the identified budget gap.
 - 4) Directs that all of the draft savings proposals identified at Appendix 2 be subject to further consultation and engagement, meeting statutory consultation requirements where required.
 - 5) Notes the update on the HRA budget set out in paragraphs 3.40 to 3.43.
 - 6) Notes the Capital Investment Programme update set out in paragraphs 3.44 to 3.48.
 - 7) Receive and note the Equality Impact Assessments undertaken in relation to the draft budget proposals.

80 COUNCIL TAX REDUCTION REVIEW

- 80.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Council Tax Reduction Review. The Council introduced a local Council Tax Reduction (CTR) scheme from 1 April 2013 as a result of national changes localising the previous Council Tax Benefit (CTB) system. Under legislation the local Council Tax Reduction Scheme must be reviewed each year. The purpose of the report was to set out that review and the resulting recommendations.
- 80.2 Councillor Sykes noted that the proposals in the report would reduce the fund by approximately £335k, and expressed concern that technical measures in the policy would see a fewer number of people affected; however, the impact would be much greater on them. Whilst he commended the detailed EIA with the paper, the Green Group would be abstaining on the proposals.
- 80.3 Councillor Hamilton explained that the Administration were putting an additional £1.5M into the scheme, and as well as well as writing to all affected households, there would be close work with the community and voluntary sector. The proposals in the report were considered a fair compromise in the context of the very challenging budget position of the authority and the necessity to help the poorest households in the city.
- 80.4 The Chair then put the recommendations to the vote. These were **carried** with 4 in support and 6 abstentions.
- 80.5 **RESOLVED** – That the Committee:
- 1) Notes that the Council undertook formal consultation as a part of this review and that as part of the formal consultation a draft scheme was published which contained possible changes to the scheme and people were invited to give their views on that scheme.
 - 2) Notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4
 - 3) Notes that an Equalities Impact Assessment (EIA) (appendix 2) has been undertaken on the possible changes set out in the draft scheme and the recommendations set out in 2.9.1 to 2.9.6 [9.1 – 9.6] in this report. The committee should further note that, to meet their Public Sector Equality Duty, members must give conscientious consideration to the findings of this assessment when making a decision on the recommendations in 2.9.1 to 2.9.6. [9.1 – 9.6]. The actions which will be undertaken as a result of this EIA are set out in section 7.11.
 - 4) Notes that the Executive Director of Finance and Resources will, prior to 1 April 2017, exercise delegated powers to increase the appropriate calculative elements of the scheme to give effect to national changes.

RESOLVED TO RECOMMEND – That Council:

- 5) Notes that the Council undertook formal consultation as a part of this review and that as part of the formal consultation a draft scheme was published and people were invited to give their views on that scheme.
- 6) Notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4.
- 7) Notes that an Equalities Impact Assessment (EIA) (appendix 2) has been undertaken on the proposed changes in the draft scheme and the recommendations in this report. It should further note that, to meet their Public Sector Equality Duty, members must give conscientious consideration to the findings of this assessment when making a decision on the recommendations in 2.9.1 to 2.9.6 [9.1 – 9.6]. The actions which will be undertaken as a result of this EIA are set out in section 7.13.
- 8) Authorises the Executive Director of Finance and Resources to amend the council's Council Tax Reduction Scheme (Persons who are not Pensioners) (Brighton and Hove City Council) 2013 to reflect the changes at 2.9 to 2.9.6 of the report [9 - 9.6 below] and to take all steps necessary and incidental to the introduction of the revised scheme.

Proposed changes to scheme from 1st April 2017

- 9) Authorise the changes set out in 2.9.1 – 2.9.4 of the report [9.1 - 9.6 below] are made to the Council Tax Reduction Scheme (Persons who are not Pensioners) (Brighton & Hove City Council) 2013 to take effect from 1 April 2017. (These changes are set out in more detail in 4.3).
 - 9.1) Change the taper rate from 20p to 25p.
 - 9.2) To limit maximum CTR to the equivalent available for Band D property.
 - 9.3) Change the minimum CTR payable to £5.00 per week.
 - 9.4) For people with an entitlement to CTR on 31st March 2017 who will be affected by the provision in 2.9.2 [9.2 above] transitional protection will be applied so that no one will be worse off by £10 or more per week as a result of this provision. This transitional protection will end either: after a year; when a person moves, or when their claim ends, whichever is soonest.
 - 9.5) As per the four year budget plan previously agreed at February 2016 Budget Council and presented in the three year saving plan on this agenda the permanent budget funding used to support the Discretionary Council Tax Reduction Scheme to be set at a £0.055m for 2017/18. A further £0.095m will be set aside from the Welfare Reform reserve to provide £0.150m discretionary funds overall.

9.6) Amend the Discretionary Council Tax Reduction Scheme (Brighton & Hove City Council) 2016 so that people who would otherwise qualify for council tax reduction were it not for the provision in 2.9.3 [9.3 above] (£5.00 minimum CTR) can apply for Discretionary Council Tax Reduction.

81 TREASURY MANAGEMENT POLICY STATEMENT 2016/17 (INCLUDING ANNUAL INVESTMENT STRATEGY 2016/17) –MID YEAR REVIEW

- 81.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Treasury Management Policy Statement 2016/17 (including Annual Investment Strategy 2016/17) –Mid Year Review. The 2016/17 Treasury Management Policy Statement (TMPS), practices and schedules were approved by the Policy & Resources Committee on 17 March 2016. The TMPS set out the role of Treasury Management, whilst the practices and schedules set out the annual targets and methods by which these targets would be met. It was recommended good and proper practice that Members received half yearly reports and review and endorse treasury management actions during the year. The purpose of the report was to advise of the action taken in the first half of 2015/16.
- 81.2 In response to Councillor Wealls in was explained that, were the Council to have invested in property funds before the Brexit referendum, there would have likely been losses in the short-term, as well as potentially breaching the agreed level of exposure and the impact on the risk indicator; however, it was highlighted that the Council would always carefully consider this indicator before making any financial investment.
- 81.3 In response to Councillor Sykes it was explained that when the Council borrowed it relied heavily on market data; decisions on borrowing were based around cash flow, the funds required and interest rates.
- 81.4 In response to Councillor Janio's queries about under-borrowing, it was clarified that this related to instances where the Council borrowed from its own cash reserves. The Council had now moved away from this approach generally as it had a substantial amount of under-borrowing, but now also wanted to take advantage of low interest rates, and be prevented from having to borrow when interest rates were higher.
- 81.5 Councillor A. Norman formally thanked the Treasury Management Team, and highlighted the importance for the city of having a sound investment strategy.
- 81.6 The Chair then put the recommendations to the vote.
- 81.7 **RESOLVED:**
- 1) That the Committee endorses the key actions taken during the first half of 2016/17 to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report.
 - 2) That the Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised limit and operational boundary have not been exceeded in the first half of the year.

82 STREET LIGHTING INVEST TO SAVE PROJECT

- 82.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Street Lighting Invest to Save Project. The report presented the options for the Street Lighting Invest to Save project and requested the Committee approve to progress the project with the selected funding option required to implement the project.
- 82.2 Councillor Mitchell thanked the work of Officers on the project to date; the project had a number of benefits including: saving money; greater efficiency; reduction in the Council's carbon footprint and use of technology to become a 'smart city'. She hoped the Committee would be able to support the report.
- 82.3 Councillor Sykes welcomed the report, in response to a query it was explained that the business case had been very thorough, and the opportunity had been taken to look at some of the other stock that was not included.
- 82.4 Councillor Janio welcomed the report, but argued that the project could be funded more prudently through borrowing, rather than the LTP, as there was a definite payback for the project in the long term.
- 82.5 Councillor Mac Cafferty welcomed the report, in response to a query it was explained that Officers were fully aware of the temporary lanterns in historic parts of the city; whilst the lamps needed to be painted by an electrical contractor, there could be a discussion in relation to communities adopting historic lamp posts.
- 82.6 The Chair then put the recommendation to the vote.
- 82.7 **RESOLVED** - That the Committee:
- 1) Gives approval to progress the Street Lighting Invest to Save project based upon the efficiency savings business case set out in Appendix 1 ("Business Case");
 - 2) Approves the inclusion of the Street Lighting Invest to Save project in the Council's Capital Investment Programme as detailed in 2.1.3 below;
 - 3) Approves the funding of the invest to save project with £7.056m from unsupported borrowing and £0.900m from the Local Transport Plan (LTP) capital programme over the lifetime of LTP4, three years.
 - 4) Grants delegated authority to the Executive Director of Economy, Environment & Culture to procure and award a contract(s) including any necessary extensions to deliver the Street Lighting Invest to Save project and street lighting maintenance.

83 TRAFFIC SIGNAL CONTRACT

- 83.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Traffic Signal Contract. This report sought Committee approval for a tender exercise to be undertaken for a sole supplier contract for the maintenance, installation and supply of the city's traffic signal and associated

control equipment. The contract would replace the current 12-year contract with Siemens Traffic which expired on 31 March 2017.

83.2 In response to a question from Councillor Janio it was explained that this contract was not the main vehicle for delivering the intelligent transport system, but would be there to back up that piece of work. It would give the city much better control of traffic and the practical ability to deal with pressure and traffic controls.

83.3 The Chair then put the recommendations to the vote.

83.4 **RESOLVED** - That the Committee:

- 1) Approves the procurement of a contract for the maintenance, installation and supply of traffic signal and associated control equipment for a term of 7 years with the option to extend for up to a further 3 years.
- 2) Grants delegated authority to the Executive Director for Economy, Environment & Culture -
 - (i) to carry out the procurement of the contract referred to in 2.1 above including the award and letting of the contract;
and
 - (ii) to extend the contract referred to in 2.1 above for period(s) up to a total maximum of 3 years should he/she consider it appropriate at the relevant time.

84 WHEELED BINS FOR RECYCLING

84.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Wheeled Bins for Recycling. At the Environment, Transport & Sustainability Committee on 13 October 2016, a report was presented that detailed the results of the trial using wheeled bins for recycling within the Hangleton & Knoll and Portslade areas of the City. The report highlighted the increase in recycling, decrease in residual waste and very high levels of customer satisfaction using this collection method. This report requested that the Committee approve the procurement of the one-off supply of wheeled bins and to approve the proposed funding arrangements.

84.2 Councillor Mitchell highlighted that this work was part of efforts by the Administration to increase recycling rates and investment in sustainability across the city.

84.3 Councillor Janio welcomed the report and noted the success of the pilot scheme.

84.4 The Chair then put the recommendations to the vote.

84.5 **RESOLVED** - That the Committee:

- 1) Approves the introduction of wheeled bins for recycling across the city, where there is room for the storage of a wheeled bin at an estimated cost of £1.1 million

funded by additional borrowing,(which will be incorporated into the council's budget strategy for 2017/18 onwards)

- 2) Approves the procurement of a one-off supply of wheeled bins under a framework arrangement;
- 3) Grants delegated authority to the Executive Director Economy, Environment and Culture, following consultation with the Executive Director Finance & Resources, to carry out the procurement via an approved framework arrangement referred to in 2.2 above including the award and letting of the call-off contract under the framework arrangement.

85 RESIDENTIAL CHILD CARE, FOSTER CARE AND SEN EDUCATION PLACEMENTS

- 85.1 The Committee considered a report of the Executive Director for Families, Children & Learning in relation to Residential Child Care, Foster Care and SEN Education Placements. The report sought approval for the procurement of a Dynamic Purchasing System, framework agreement or individual contracts and the award of individual placement agreements for placements in independent residential children's homes, independent foster care and independent non-maintained special schools. The report was a follow up to the report to the Procurement Advisory Board on 23 May 2016 and the Committee of 14 July 2016. The reason for bringing the report back to the Committee was that two local authorities had withdrawn from the partnership and if any further local authorities did so then the Council might need to work with a different configuration of local authorities to get best value in its future procurement of placements. In addition, the final business case had changed substantially from the last draft presented to committee.
- 85.2 Councillor Wealls welcomed the increased number of foster placements using in-house carers. The Executive Director explained, in response to a query, that East Sussex County Council had withdrawn as they felt the contract was no longer in their financial interests; due to the associated costs of setting up the infrastructure it was in the Council's interests to join up with other local authorities.
- 85.3 Councillor Bewick noted the comments from Councillors Wealls in relation to in-house placements, and highlighted that this saved the Council around £324K.
- 85.4 The Chair then put the recommendations to the vote.
- 85.5 **RESOLVED** - That the Committee:
- 1) Grants delegated authority to the Executive Director of Families, Children & Learning to conclude negotiations with West Sussex County Council on the terms of access and agreement to participate in a regional Dynamic Purchasing System (DPS) for the provision of placements in independent residential children's homes, independent foster care and independent non-maintained special schools (INMSS).

- 2) Approves the procurement of a DPS, framework agreement or individual contracts, either led by West Sussex County Council (WSSCC) as the contracting authority or procured with one or more other regional partners or procured by Brighton & Hove City Council for its sole use (depending on the outcome of 2.1 above), for the provision of placements in independent residential children's homes, independent foster care and INMSS.
- 3) Grants delegated authority to the Executive Director of Families, Children & Learning to: (i) carry out the procurement of the DPS, framework agreement or individual contracts referred to in 2.2 above; (ii) agree the term of the DPS, framework agreement or individual contracts; (iii) award and let the DPS, framework agreement or individual contracts and; (iv) award and let placement agreements under the DPS, framework agreement or individual contracts.

86 PROGRESS UPDATE AGAINST CORPORATE KEY PERFORMANCE INDICATORS Q2 2016/17

- 86.1 The Committee considered a report of the Chief Executive in relation to Progress update against Corporate Key Performance Indicators Q2 2016/17. The report sought to update performance progress for the period 1 April 2016 to 30 September 2016 (Quarter 2) in relation to Corporate Key Performance Indicators (KPIs).
- 86.2 Councillor Mitchell welcomed the increased recycling rates in the city.
- 86.3 In response to Councillor G. Theobald it was explained that the Audit & Standards Committee had also discussed the number of outstanding audit recommendations; this had been due to a combination of issues including long-term sickness, but it was hoped the move towards the Orbis Partnership would help with this. Councillor A. Norman, as Chair of the Audit & Standards Committee, noted that the Internal Audit Team was very small and there was ongoing work to improve the number of completed audit recommendations.
- 86.4 In response to Councillor Wealls it was explained that it had not previously been the working practice of the Planning Department to seek extensions to the eight week determination deadline for planning applications, whereas this was standard practice in most other local authorities, and was advocated by the Planning Advisory Service. Officers acknowledged that the Planning Service had been underperforming, whilst there was still much to do, the measures that had been taken in the last 12 months were having a significant impact. It was the intention that the dialogue with Members would continue as the improvements were made to the service.
- 86.5 Councillor Sykes welcomed the report, and noted the importance of this information coming before Members. In response to a query it was explained that the level of stress related staff sickness was of concern; it was acknowledged that the Council had a duty of care to all staff. Stress audits were undertaken across the organisation, this work was lead and monitored by the corporate health and safety team.
- 86.6 The Chair put the recommendation to the vote.

86.7 **RESOLVED** – That the Committee review progress in relation to Corporate KPIs, particularly corrective measures outlined for 'red' and 'amber' indicators; provide ongoing support and challenge to lead officers to bring performance back on track.

87 COMMITTEE TIME TABLE 2017/18

87.1 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Committee Time Table 2017/18. The report asked the Committee to consider the proposed schedule of meetings for the municipal year 2017/18 based on the current meetings timetable.

87.2 Councillor Wealls thanked Officers for organising the timetable to avoid clashes with political party conferences.

87.3 The Chair then put the recommendations to the vote.

87.4 **RESOLVED** – That the proposed timetable of meetings for the 2017-18 municipal year be agreed; subject to any necessary amendments following changes to the Constitution and/or committees' requirements.

88 RESPONSE TO THE REPORT OF THE FAIRNESS COMMISSION

88.1 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Response to the Report of the Fairness Commission. The Chair noted that the report had been considered by the Neighbourhoods, Communities & Equalities Committee, as set out in the associated extract from that meeting. The report presented the Council's response to the recommendations of the Brighton & Hove Fairness Commission.

88.2 Councillor Daniel addressed the Committee at the Chair's invitation in her capacity as the Chair of the Neighbourhoods, Communities & Equalities Committee. She stated that the report had been considered by the cross-party working group, and had been unanimously supported when it was considered by the Neighbourhoods, Communities & Equalities Committee. The Fairness Commission had met over a period of nine months; heard from residents and considered data to make the city a fairer place to live and work. They had worked in the context of the challenging budgetary position and put forward recommendations to transform policy and makes things fairer. Councillor Daniel highlighted the work that was already taking place in relation to 'poverty proofing the school day'.

88.3 In response to Councillor Sykes it was clarified that £150K had been budgeted over the next two years.

88.4 Councillor G. Theobald commended the report, but he had concerns with proceeding with the poverty proofing work as he felt it could be to the detriment of other pieces of work that were being undertaken inside and outside of the Council, he was not convinced that this proposal would be the best of use of resources, and noted that the Conservative Group would be abstaining from the vote.

- 88.5 Councillor Wealls highlighted some of the work and provision that was already in place for disadvantaged children in the city, and noted there was already dedicated spending from funds such as the pupil premium. In response Councillor Daniel stated that this scheme was an important means to ensure those running schools heard about how poorer children were affected, the proposed training was designed to be supportive; it would be a one off spend with a lasting legacy.
- 88.6 Councillor A. Norman stated that in her experience as a school governor schools were already undertaking a lot of proactive work in relation to children in poverty; she noted that some schools needed much more than others, but felt an action plan was not necessary for all schools. Councillor Daniel replied that this recommendation had been unanimously supported by the working group and at the Neighbourhoods, Communities & Equalities Committee.
- 88.7 Councillor Bewick highlighted that the report made it clear than any recommendations were subject to further agreement of funding allocations at Budget Council. He noted that the proposal in the report was a 'spend to save' initiative, and the Council should be doing everything within its power to support low-income families.
- 88.8 In response to Councillor Janio the Monitoring Officer confirmed there would be no more spend above what was already agreed, as set out in the report.
- 88.9 Councillor Mac Cafferty highlighted that the work of Fairness Commission built on a number of initiatives that had been started under the previous Green Administration. He highlighted that the Green Group were fully in support of the report and the work of the Commission.
- 88.10 The Chair proposed an amendment that the words 'within the scope of the agreed budget or where resources allow' be added to the recommendation.
- 88.11 The proposed amendment was seconded by Councillor Mitchell.
- 88.12 The Chair put the proposed amendment to the vote. This was **carried** with 6 in support and 4 abstentions.
- 88.13 The Chair the put the amended recommendation to the vote. This was **carried** with 6 in support and 6 abstentions.
- 88.14 **RESOLVED** - That the Committee agreed the response to the Fairness Commission recommendations set out in Appendix 1 to this report and authorises Officers to take all steps necessary or incidental to the implementation of the responses within the scope of the agreed budget or where resources allow.

89 LOCAL HEALTH & SOCIAL CARE INTEGRATION

- 89.1 The Committee considered a report of the Chief Executive in relation to Local Health & Social Care Integration. The report set out a recommended approach to guide council officers in working towards integrated health and adult social care including joint financial planning and integrated service commissioning with the city's health partners.

- 89.2 In response to Councillor Sykes it was explained that the report sought to ensure Officers had a mandate to work with health care partners, especially in relation to the adult social care budgets and the demand pressures, it was envisaged this would create greater transparency. Councillor Sykes noted that the Green Group would be abstaining from the vote on the report.
- 89.3 Councillor Mitchell noted that the Council needed to wait for more information in relation to the Sustainable Transformation Plan (STP) to become clearer, she welcomed the report and hoped it would lead to clearer pathways for working. If a clear framework could be developed there would be real benefits to be gained for service users.
- 89.4 Councillor A. Norman echoed these comments and highlighted that the way forward was full integration to deliver the most advantageous costs and outcomes.
- 89.5 Councillor Mac Cafferty noted that the Green Group's concerns related to how the STP would affect the NHS in terms of remaining 'free at the point of demand'.
- 89.6 In response to a further query from Councillor Sykes it was clarified that the report did not comment on the Council financially in relation to the STP at this point; however, it would give Officers a mandate to ensure the Council was fulfilling its statutory obligations; any major shift in expenditure would require the approval of the Committee.
- 89.7 The Chair then put the recommendations to the vote. These were **carried** with 8 in support and 2 abstentions.
- 89.8 **RESOLVED** – That the Committee:
- 1) Affirms the general principle of integrating health and adult social care services in the city and the strategic objectives set out in paragraph 3.10 of this report;
 - 2) Agrees that the Executive Director of Health & Adult Social Care along with the Executive Directors for Finance & Resources and also Families, Children & Learning, work with the Chief Operating Officer and Chief Finance Officer of the Clinical Commissioning Group (CCG) and other health partners to undertake joint financial planning to 2020 and develop an integrated service commissioning framework;
 - 3) Agrees that a review of governance be undertaken by the Executive Lead Officer for Strategy, Governance and Law to support the work of the city's Health & Wellbeing Board (HWB) and Health Overview Scrutiny Committee (HOSC) in providing public engagement, oversight and scrutiny;
 - 4) Agrees that the resulting strategic policy and financial implications of integrated health and adult social care service proposals in the city, be reported back to PR&G Committee and referred to the Health & Wellbeing Board. This work will also report to the CCG Clinical Strategy Committee.

90 TUPE TRANSFERS AND TRADE UNION RECOGNITION & INVOLVEMENT

- 90.1 The Committee considered a report of the executive Director for Finance & Resources in relation to TUPE Transfers and Trade Union Recognition & Involvement. The report followed recent discussions between Brighton & Hove City Council (the 'council') and the Trade Unions (GMB and UNISON) about the TUPE transfer of staff to other organisations. As the Council made changes to services to meet the current financial demands it was likely that there would continue to be transfers of council staff into other organisations through TUPE arrangements. As a result of this, the Trade Unions requested that consideration be given by the Council to the following: requiring Trade Union recognition in contracted or commissioned services where council staff will be TUPE transferred; and involving the Trade Unions more in the tender process when evaluating contracts that will result in the TUPE transfer of council staff.
- 90.2 In response to Councillor G. Theobald it was clarified that the aim of the specifications would be to achieve the best value for money; however, Councillor G. Theobald expressed concern that the proposals could put the Council in an impossible position and put off companies from bidding for work. The Chair also noted that the comments raised by the Procurement Advisory Board had been included in the report.
- 90.3 Councillor Sykes noted his support for the report and stated that the wording was reasonable and best practice in terms of employee relations.
- 90.4 Councillor Wealls noted his concern that the proposals in the report could place increased political pressure on Officers.
- 90.5 The Chair then put the recommendations to the vote. These were **carried** with 6 in support and 4 against.
- 90.6 **RESOLVED** - That the Committee approve the following:
- 1) That the Council makes clear in the tender documentation for new contracts which involve the potential TUPE transfer of council staff that consultation is required ahead of the transfer where any changes to Trade Union recognition are envisaged by the new contractor, whether the automatic transfer principle applies or not (see 3.3 below).
 - 2) That, subject to the considerations described below in 3.6 and 3.7, the following criteria question is included during the evaluation stage for all tender processes that are likely to involve the TUPE transfer of council staff:

'Brighton & Hove City Council is a collective bargaining organisation and recognises GMB and UNISON Trade Unions for this purpose. The Council believes that Trade Union recognition provides a good indication of a constructive approach to employee relations and would therefore ask that bidders confirm whether these arrangements will be continued or, in the alternative, to explain how they consult and engage with unions and / or the workforce to ensure best practice in terms of employee relations'.

- 3) That, where Trade Unions request to be involved as stakeholders during the procurement process in order to comment on prospective providers of commissioned and contracted services where there will be a TUPE transfer of council staff, the process set out in 3.9 below is followed.

91 DRAFT HOUSING ALLOCATIONS POLICY

- 91.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to Draft Housing Allocations Policy. The Chair noted that the report had been referred from the Housing & New Homes Committee meeting on 16 November 2016 as set out in the circulated extract. The report sought approval of the Draft Housing Allocations Policy, and included responses to points that had been raised by the Housing & New Homes Committee.
- 91.2 Councillor Janio noted that the Conservative Group were fully in support of the report, and they were pleased with the amendments that had been agreed at the Housing & New Homes Committee.
- 91.3 In response to Councillor Sykes it was clarified that there was a cross-party working group that would review the policy and look at issues such as the guidance. It was also noted that there would be a monitoring report back to the Housing & New Homes Committee in March 2018.
- 91.4 The Chair then put the recommendations to the vote.
- 91.5 **RESOLVED** – That the Committee:
 - 1) Notes the comments of Housing & New Homes Committee and agrees the Policy subject to the amendments set out above.
 - 2) That Assistant Director Housing be authorised to make consequential amendments to rest of the policy to make it consistent with the changes referred to in resolution 3 (of the Housing & New Homes Committee resolution on 16 November 2016).

92 HOUSING DELIVERY OPTIONS - LIVING WAGE JOINT VENTURE

- 92.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to Housing Delivery Options - Living Wage Joint Venture, the Chair noted that the report had been referred from the Housing & New Homes Committee meeting on 16 November 2016 as set out in the circulated extract. The opportunity considered in the report was a proposal from Hyde Housing Association to develop a Living Wage Joint Venture with the Council to acquire land and develop new homes for lower cost rental and sale for low income working households in the city. This proposal was informed by the outcome of the Housing Market Intervention options study presented to Housing & New Homes Committee in March 2016. That Committee approved the Housing Delivery Options report and agreed to the procurement of legal and other specialist advisers to pursue this work. The key aim of the project was the provision of lower cost rented housing. Supply of new lower cost rented homes was not keeping pace with demand and there was limited evidence of market appetite from developers and Registered Providers to

deliver this product. There was also potential to generate a long term income for the Council through funding returns and/or a margin through lending from the Council.

- 92.2 Councillor Janio formally moved amendments on behalf of the Conservative Group, and thanked Officers for all the work they had undertaken to date. These were formally seconded by Councillor G. Theobald.
- 92.3 Councillor Sykes formally moved the amendments on behalf of the Green Group; he thanked all those involved with the piece of work, and highlighted that it was not the intention of the Group to block the proposal, but they were seeking the best resolution possible.
- 92.4 Councillor Mac Cafferty formally seconded the amendments, and thanked Officers for all the work they had undertaken to date. He highlighted that the Green Group were seeking to get a lower rent value and ensure the surplus was put back into housing; he noted the Group were very happy with the cross-party progress made to date.
- 92.5 The Chair thanked Councillor Meadows, Chair of the Housing & New Homes Committee, and the input of all Members. He highlighted that the venture would create 'truly' affordable housing, and paid special thanks to work of Councillor Gibson.
- 92.6 The Chair invited Councillor Meadows, Chair of the Housing & New Homes Committee, to speak. Councillor Meadows welcomed the thorough approach of all those involved, and hoped this would lead to truly affordable housing in the city.
- 92.7 Councillor Janio highlighted that the Conservative Group wanted to achieve the very best deal for residents in the city, and the Group's amendments sought to make the scheme more robust, he hoped other Groups would be able to support their proposals.
- 92.8 The Chair put the Conservative Group amendments to the vote, these are taken in parts. Amendments 2.2 i) & 2.2 iii) were **carried**, and amendment 2.2 ii) was **not carried**.
- 92.9 The Committee then agreed to go into Part Two to consider the information in Item 95 under section 100a(4) of the local government act 1972.
- 92.10 When the Committee returned to Part One the Green Group's amendments were put to the voter, these were **carried**.
- 92.11 The Chair then put the amended recommendations to the vote. These were **carried**.
- 92.12 **RESOLVED** - That the Committee:
- 1) Support in principle the living wage joint venture proposal subject to the further safeguards being put in place outlined below;
 - a) That no HRA asset will be transferred or sold into the Joint Venture and this shall be written into the Heads of Terms, or equivalent legal agreement or final contracts.

- b) That the Council review options for any General Fund land being sold to the Joint Venture (including direct development), with member oversight of this being considered for any sum above and including zero pence at the Estate Regeneration Board.
 - c) In order to ensure best value for money, any transfer of council owned land to the JV is publicised on the council website to any potential bidders, valued by an independent valuer or the District Valuer to ensure best consideration reasonably obtainable is achieved and submitted in the Committee papers for approval relating to the transfer.
 - d) In the event of the Council's General Fund revenue budget being placed under stress or in a deficit position as a result of the JV, that the Committee note mechanisms exist for the Section 151 Chief Financial Officer to advise Members of options for managing the deficit position in order to mitigate the impact on the General Fund services. Such mechanisms include reviewing the adequacy of risk provisions and/or reserves under Section 25 of the Local Government Act 2003 or, alternatively, re-financing.
 - e) It should be explicit in the heads of terms or subsequent contracts that any profit from the Joint Venture should be split on a 50/50 basis.
 - f) That the Council notes in future land transfers, a buy back clause for the council will be included if development does not commence by the JV within 3 years at the same price it was purchased by the JV.
 - g) Changes to the Heads of Terms be made to ensure that only the relevant Committee can agree to a change in the reserved matters list and this cannot form part of the annual business plan to be changed.
 - h) The Heads of Terms be amended at 4.15 to read that 90% of fair value of 3 independent valuers, including the district valuer, shall be transferred in the event of a default.
 - i) That the Heads of Terms lock in period should read 10 not 7 years.
- 2) Give delegated authority to the Executive Director of Economy, Environment and Culture following consultation with the Executive Lead Officer for Strategy, Governance & Law, the Executive Director of Finance & Resources, the Estate Regeneration Board and the Strategic Delivery Board to:
- (a) Develop and negotiate the deal with Hyde; in which the following are agreed:
 - (1) The Shared Ownership properties should first be marketed locally to buyers with a connection to Brighton & Hove with a cascade for wider marketing to be triggered only after such reasonable marketing period has first expired.
 - (2) That the rent formula proposed for the National Living Rent calculation in the SFVM be changed to make the rents more affordable for local people

on lower incomes. Specifically that the current rent formula which is calculated based on 40% of gross income be reduced to 37.5% of gross income in the SFVM.

- (3) Should cost of living increases in rents for tenants of the joint venture rise at a rate that is in excess of actual increases in the rate of the National Living Wage, the parties to the Joint Venture agree to discuss the scope to address this issue when reviewing the business plan. Having regard to the required commercial performance of the project in line with the SFVM and Business Plan,
 - (4) Should cost of living increases in rents for tenants of the joint venture rise at a rate that leads gross rents to exceed the Local Housing Allowance, the parties to the Joint Venture agree to discuss the scope to address this issue when reviewing the business plan. Having regard to the required commercial performance of the project in line with the SFVM and Business Plan.
 - (5) That should the business model exceed its projected rate of return, all Brighton & Hove City Council surplus monies be ring fenced exclusively to provide additional council owned emergency accommodation for homeless people and additional living wage rented housing.
- b) Agree and authorise execution of the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture;
 - c) Make the appointments from the Council to the management board;
- 3) Note that reserved matters (as detailed in 3.30) will come back to the Housing and New Homes committee, as well as the Policy Resources and Growth Committee for approval including any business plans which are to be delivered through the Joint Venture, and the disposal of land/sites to the JV.

93 HOUSING DELIVERY OPTIONS - WHOLLY OWNED HOUSING COMPANY

- 93.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to Housing Delivery Options - Wholly Owned Housing Company, the Chair noted that the report had been referred from the Housing & New Homes Committee meeting on 16 November 2016 as set out in the circulated extract. The report covered a wholly owned Special Purpose Vehicle or Housing Company. The proposal was informed by outcome of the Housing Market Intervention options study presented to Housing & New Homes Committee in March 2016 who approved the report and agreed to the procurement of legal and other specialist advisers to pursue this work. Following the deferral of the previous report at the September meeting Members requested that the proposal for a wholly owned Special Purpose Vehicle or Housing Company and a separate the proposal for a Joint Venture with Hyde Housing be presented in individual reports.

93.2 In response to Councillor Janio it was explained that the Council was looking at different ways of increasing the housing supply in the city; company would give the Council greater flexibility, and was similar to work being undertaken by many other local authorities.

93.3 In response to Councillor G. Theobald it was clarified that all decisions to purchase would be come through the Housing & New Homes Committee, and any with significant financial implications would come through Policy, Resources & Growth Committee.

93.4 The Chair then put the recommendations to the vote.

93.5 **RESOLVED** - That the Committee:

- 1) Give delegated authority to the Executive Director of Economy, Environment & Culture in consultation with the Executive Lead Officer for Strategy Governance & Law and Executive Director of Finance & Resources to:
 - i) progress a wholly owned Special Purpose Vehicle or Housing Company to support the provision of additional homes in the city;
 - ii) agree and authorise execution of documentation required to implement the model;
 - iii) make the appointments to the management board;
- 2) Note that future projects will come back to committee for approval including any business plans and the disposal of land/sites.

94 ITEMS REFERRED FOR COUNCIL

94.1 There were no items referred to Council for information.

95 HOUSING DELIVERY OPTIONS - LIVING WAGE JOINT VENTURE - EXEMPT CATEGORY 3

95.1 **RESOLVED** – That the Committee note the information contained in the Part Two appendix to item 92 listed on the main agenda.

96 PART TWO PROCEEDINGS

96.1 **RESOLVED:** That the information contained in the appendix, Item 95 to the report listed at Item 92, on the agenda remain exempt from disclosure to the press and public.

The meeting concluded at 7.56pm

Signed

Chair

Dated this

day of