

BRIGHTON & HOVE CITY COUNCIL
POLICY, RESOURCES & GROWTH COMMITTEE

4.00pm 9 FEBRUARY 2017

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), Chapman, Janio, Mitchell, A Norman, Sykes and Wealls

PART ONE

116 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

116.1 Councillor Chapman was present in substitution for Councillor Meadows.

(b) Declarations of Interest

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

(c) Exclusion of Press and Public

116.3 There were no Part Two items listed on the agenda.

117 MINUTES

117.1 The Democratic Services Manager referenced paragraphs 101.22 and 101.23, and noted that these paragraphs should be combined and the words 'The Chair noted there were no further matters listed under Public Involvement' deleted.

117.1 **RESOLVED** – That, with the above changes, the Chair be authorised to sign the minutes of the previous meeting held on 19 January 2017 as a correct report.

118 CHAIR'S COMMUNICATIONS

118.1 The Chair noted some reordering of the agenda to take account of the public questions that related to items on the agenda.

119 CALL OVER

119.1 The following items were called for discussion:

- Item 122 – Brighton & Hove Youth Services 2017/18 – Some Further Information
- Item 123 – General Fund Revenue Budget & Council Tax 2017/18
- Item 124 – Capital Resources and Capital Investment Programme 2017/18
- Item 125 – Housing Revenue Account Budget and Investment Programme 2017/18 and Medium Term Financial Strategy
- Item 126 – Targetted Budget Management (TBM) Month 9
- Item 127 – Saltdean Lido Restoration Project
- Item 129 – Review of Constitution
- Item 130 – Proposal to Discontinue Support for the Older People’s Council (OPC)

119.2 The Democratic Services Manager confirmed that the items listed above had been reserved for discussion, and that the following reports of the agenda, with the recommendations therein had been agreed and adopted:

Item 128 – Orbis Public Law – Update on Proposals for the Establishment of a Shared Legal Service

120 PUBLIC INVOLVEMENT

(a) Petitions

120.1 The Chair noted that the petition referred from Council in relation to the ‘Don’t Cut the Youth Service Funding’ would be considered together with Item 122 – Brighton & Hove Youth Services 2017/18 – Some Further Information.

(b) Written Questions

120.2 The Chair noted there were seven public questions; he asked Lynne Shields to put her question to the Committee.

120.3 Lynne Shields asked: “Please can you inform us how the recommendations of the Fairness Commission are being implemented and what resources are being allocated to ensure that Brighton and Hove is fully accessible by 2020?”

120.4 The Chair replied: ““The Local Authority supports an age friendly city approach to improve the quality of life to improve the quality of life in the city and make the city in which to age. Brighton and Hove Age Friendly City Programme is led by public health in partnership with older people’s organisations. The programme uses the WHO framework to identify how to make the city accessible to and inclusive of older people. Information on what is happening in the city is discussed at quarterly workshops and age friendly approaches and solutions are identified and implemented where possible. Recent topics have included mental health, physical activity, falls prevention, sex and relationships.

“A key priority is to challenge the stigma around aging by presenting a positive profile of older people, their assets, issues and concerns. The programme is led by public health and is overseen by an Age Friendly City Steering Group with representatives from the public and voluntary sectors and older people. There is no specific budget however Public Health supports that work. This approach is support by a wide range of

key agencies and service providers across the city as well as the older people's engagement forums including the age friendly city forum via Age UK. We've gather a wide range of information and are discussing our findings with policy makers and service providers to identify new approaches and solutions to help reshape the city's urban environment and services in line with age friendly approaches and principles. I've been given a full briefing on services to date which I will arrange to send to you following the committee."

- 120.5 By way of a supplementary question Lynne Shields asked: "I understand there were 127 recommendations made and that the council has decided an order in which the recommendations will be dealt with. 15 have been identified initially and I think in the report it was actually identified as the first tranche. Is there a timescale built in to when you want to achieve these tranches to move forward?"
- 120.6 The Chair replied: "I would have to ask Councillor Emma Daniel to pick that up either at one of the Neighbourhood, Communities and Equalities committee meetings or directly to you in writing."
- 120.7 The Chair asked John Cook to put his question to the Committee.
- 120.8 John Cook asked: "Please can we be given an assurance that every effort will be made for Tower House to continue as a public asset for all the people in Brighton and Hove and can the public be given an update on discussions with the interested voluntary sector provider?"
- 120.9 The Chair replied: "Since Health and Adult Social Services have stopped providing a day centre service from this building the department has had no further involvement in its future use. Property services are now engaged with the interested voluntary sector provider about its future use."
- 120.10 By way of a supplementary question John Cook asked: "Will the council agree with me that without a community there'd be no politics?"
- 120.11 The Chair replied. "It's a very broad and slightly rhetorical question but that you for coming today and posing it to us"
- 120.12 The Chair asked Colin Vincent to put his question to the Committee.
- 120.13 Colin Vincent asked: "Please can you explain how cutting finances to the adult social care, dementia and adult mental health facilities can possibly be acceptable particularly in relation to the 38,000 older people who reside in Brighton and Hove and in particular having regard to their effects on their welfare and health during this particular situation with all that's happening in the health services locally?"
- 120.14 The Chair replied: "The £4.71 million cuts over the next four years relates to the community care budget meeting all client groups. The direction of travel for our assessment services over the next four years is to focus on prevention, effective information and signposting, and making the best use of community assets. It's essential that we continue to protect our most vulnerable citizens and this budget has received significant service pressure funding in recognition of this. The saving

associated with both Island Lodge and Wayfield Avenue are proposed through a refocusing of these services. Both provide vital short term services in the city for people with dementia and mental health needs and are jointly commissioned with the CCG but are in need of review. The services have changed over recent years as demand and complexity has grown and the commissioning arrangements need to reflect this. The social care precept will be used to ensure providers of social care services are in a position to pay the living way and stabilise the market.”

120.15 By way of a supplementary question Colin Vincent asked: “Could the council identify how much of the £4.7million cuts in social services affect those services provided directly or indirectly by the council which will impact on the delayed discharge situation at Brighton and Hove and Sussex Acute Hospital?”

120.16 The Chair replied. “I’d certainly be happy to have that information sent to you as soon as possible from officers.”

120.17 The Chair asked Nick Goslett to put his question to the Committee.

120.18 Nick Goslett asked: “Please can you explain why no equality impact assessment was undertaken prior to the proposal to cut community transport’s grant by £82,000 and why a service valued by older women in this city has been subject to such a swingeing 65% cut with no prior consideration of its impact on these users?”

120.19 The Chair replied: “Adult Social Care currently provides funding to community transport to subsidise the door to door shopping service named Easy Link. This is an historical arrangement which previously sat within the sustainable transport budget before being moved to Adult Social Care. The current contract ends on the 30 June 2017. An equality impact assessment was completed and this has since been updated ahead of budget council. When completing the EIA the needs of Adult Social Care clients have been taken into account which would include elderly and disabled people. At present there is work being undertaken with bus operators on increasing access to the commercial and supported bus network with accessible bus stops, talking bus stops, the helping hand scheme and discounts for carers traveling with and without those they care for. We also have good access to accessible licensed taxis within the city and when evidencing how we as a council meet our duties it is important that we look at all the different services we provide work on and not just the provision of one specific service. The council is also currently working with the CCG and University of Brighton to explore the potential for different models of transport services in the city that can support a range of vulnerable people in the future. The council also continues to commission a range of services across the city to reduce social isolation.”

120.20 By way of a supplementary question Nick Goslett asked: “What consultation was made with Community Transport prior to this proposal?”

120.21 The Chair replied. “I will ask officers to provide a full response to you in writing following the meeting”

120.22 The Chair noted that the remaining three public questions would be taken together with the items on the agenda that they related to.

120.23 The Chair noted there were no further items listed under Public Involvement.

121 MEMBER INVOLVEMENT

121.1 The Chair noted there was one Notice of Motion referred from Council on 26 January 2017 in relation to 'Making Vacant Council Buildings Available for Use as Homeless Shelters'.

121.2 **RESOLVED** – That the Committee requests a report be brought to the next meeting of the Committee, addressing the points specifically raised in the Notice of Motion.

121.3 The Chair noted there were no further items listed under Member Involvement.

122 BRIGHTON & HOVE YOUTH SERVICES 2017/18 – SOME FURTHER INFORMATION

122.1 The Chair noted there were two public questions that related to this' he asked Seb Royle to put his question to the Committee.

122.2 Seb Royle asked: "Since you made your decision to cut funding for youth services in the city in late 2016 there has been a consultation created and released for young people to provide their views on the impact of the cuts on our community; how can the people of Brighton and Hove expect that the results of the consultation will be properly taken into account when the decision had clearly been already made month without any prior consultation at all?"

122.2 The Chair replied: "Firstly I would like to point out that no final decision has been made about future funding for the youth service. A proposal was presented to the Policy, Resources and Growth Committee in December 2016. Following this there has been a lot of activity by young people who very clearly expressed their opposition to the proposal. This has included demonstrations, questions at various committees and a petition presented at recent meeting of full council. The latter petition has led to a paper which is being considered at committee today. You may also be aware that the proposed savings to the youth service have now been reduced, this is because we have listened to the views that you and other young people across the city have expressed. Given the large savings the council has to make across all budgets we unfortunately cannot provide services in the way we have previously. I have written directly to the Prime Minister yesterday asking yet again for urgent action to meet the pressures on funding in local government. In relation to the current consultation process I welcome the fact that young people across the city have been engaging with this. There is a short time scale between the closure of the consultation process and the meeting of budget council and council officers will work hard in order to ensure that an analysis of the responses can be quickly shared with all members so that any decision made at budget council is properly informed."

122.3 By way of a supplementary question Seb Royle asked: "Given the clearly illegitimate nature of the consultation and the highly questionable manor in which the decision to cut youth services has been made will the council postpone making any cut to youth service until a proper and legal consultation has taken place or will this consultation have to be challenged in court?"

- 122.4 The Chair replied. "We will consider the points you've made but the decision will be made at budget council on the 23 February."
- 122.5 The Chair asked Boudicca Pepper to put her question to the Committee.
- 122.6 Boudicca Pepper asked: "You tell us that these cuts are incredibly difficult decisions but they must come from somewhere meanwhile council offices get an £11 million refurbishment and the mayor debates whether to cut youth services wearing a gold necklace around his neck. Many will suggest that this illustrates how the cuts are affecting some members of our community more than others. Would you agree that the burden of these cuts you must make should fall evenly on to everyone in the community and not disproportionately affect those of us already struggling?"
- 122.7 The Chair replied: "Sales of assets can't support annual service costs the way that the council spends money is complex with restrictions around how money can be raised and spent. I hope you are able to stay for the remainder of this committee where this will be laid out in more detail. The mayor fulfils a civic duty and the support provided to organisations across the city is much appreciated and in some cases generates additional funding for the city. The refurbishment of Hove Town Hall was required due to the previous problems with its infrastructure. The funding for it is being obtained by selling off other council buildings such as Kings House and moving from Kings House to Hove Town Hall will save £2 million a year thus preventing further cuts. The sale of council assets help the council to make investments elsewhere but cannot be used to support year on year revenue costs such as running a youth service.
- As you'll see from the proposed budget papers there are savings proposals across all areas of the council including a proposal as we have heard that will be discussed in the next item in relation to the older people's council. Please be reassured that all aspects of council services have had to make very hard choices about where to make future savings."
- 122.8 By way of a supplementary question Boudicca Pepper asked: "It's fantastic that you agree that the burden of cuts should not fall heavily on the most disadvantaged members of our community. As part of this commitment to ensuring that the burden of cuts are fairly and evenly shared by the community; will you commit to a review of the executive pay in Brighton & Hove City Council to ensure that no members of the community are given preferential treatment as these vicious cuts are made?"
- 122.9 The Chair replied. "Executive pay was reviewed and reduced during the last administration and there are no plans to undertake that again. I would remind you that youth services savings have been reduced to £700,000 we are looking at further transitional funding and external help being brought in but we will still be spending around £2 million of services for young people as set out in our budget report."
- 122.10 The Committee considered a report of the Executive Director for Families, Children & Learning in relation to Brighton & Hove Youth Services 2017/18 – Some Further Information. At the Council meeting on 26 January 2017 an amendment was proposed by the Conservative Group and passed by Members. This amendment was to request a report to be brought to the next Policy, Resources & Growth Committee detailing the

following in regards to the proposed reductions in youth service funding: service descriptions and client reach which could be provided at a range of funding levels; descriptions and impact assessments of expenditure reductions which were considered as an alternative to the proposed cut and an impact assessment of the funding reduction on the services themselves, and their clients and the increased pressures on other budgets and services should the proposed cut be implemented.

- 122.11 In response to a series of questions from Councillor Mac Cafferty the following responses were provided. The figures on usage of the service showed regulatory of use, and this was consistent with how this had historically been reported; however, assurance was given that infrequent users were still very much part of considerations. Whatever budget decisions were made the Council would continue to prioritise work for individuals that met protected characteristics, in the past additional funds had been put into youth services as individuals that fell into the protected groups had not been as well represented. It was acknowledged that supporting young people in care was expensive, and there was no clear link the work of the youth service prevented children going into care; to reduce pressure on the care system services had been identifying people on the 'edge of care' and working to prevent them entering the care system. The consultation process finished Sunday and it was intended that some analysis of the data would be undertaken by Wednesday 15 February in preparation for Budget Council.
- 122.12 In response to a series of questions from Councillor Wealls the following responses were provided. In relation to the consultation it was vital that the responses were carefully considered to ensure they helped form and shape future service provision. Over 1000 responses had already been received, and the question had been devised with young people, the voluntary sector and the in-house teams. Paper copies had been made available when required, and the in-house teams had entered these as part of the consultation. Ten focus groups had been held, especially with the protected groups, and there had been the opportunity for non-service users that were affected, such as adults and carers, to feed into the consultation.
- 122.13 In response to Councillor Sykes it was explained that it was very difficult to undertake a detailed analysis of the potential equalities impacts; the associated EIA had sought to recognise that there would be an impact, and the Council would ensure that mechanisms were put in place to continue dialogue with protected groups. The EIAs across the wider budget also went some way to ensuring that consideration was made of the cumulative impact of the budget savings.
- 122.14 Councillor Chapman thanked Officers for producing the report so quickly, and noted that whatever budget decisions were made would affect people in the city. There would still be youth service provision, and this type of reduction followed a national trend; the Administration would work with Officers to ensure that the redesign was right for the city.
- 122.15 Councillor Janio noted that he had listened to the debate, but felt the proposals were damaging to voluntary services in the city, he noted that the Administration still had time to reallocate funds to protect the service in the budget.

- 122.16 The Chair responded to Councillor Janio and noted that the level of budget savings were a direct result of decisions made by Central Government, and he noted that many local authorities across the country were finding themselves in a similar position.
- 122.17 Councillor Mitchell noted that the decision to move more of the youth service put of the local authority should have been some years back, before they had formed the administration.
- 122.18 The Chair then put the recommendations to the vote.
- 122.18 **RESOLVED** - That Committee note the content of this report as part of their considerations of the 17/18 budget setting process.

123 GENERAL FUND REVENUE BUDGET & COUNCIL TAX 2017/18

- 123.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to General Fund Revenue Budget & Council Tax 2017/18. The report set out the final proposals for the General Fund Revenue Budget and Council Tax for 2017/18 together with the Service & Financial Plans up to 2019/20. The increase in the council tax level was based on the minority Administration's council tax proposal of 1.99% together with a further 3% increase in respect of the Adult Social Care precept. The report incorporated previous decisions made by the Committee on the council tax base and business rates tax base, and by full Council on the Council Tax Reduction Scheme.
- 123.2 The Chair noted the amendment proposed by the Environment, Transport & Sustainability Committee to the fees and charges that fell within the Committee's remit. He noted that as the proposed amendment related to very minor sum of money, it could be accepted.
- 123.3 In response to a series of questions from Councillor Sykes the following responses were provided. A line by line analysis of budgets had been undertaken since December to reduce the budget savings required by the Youth Services; the figures of £105K related to a number of savings that had been found in other areas such as back office costs, extra income and amalgamations of some small matters. In relation to Major Projects a service redesign was being undertaken, but this would not impact on the delivery of the various major regeneration programmes in the city. Further savings in the Housing Department were being identified by looking at efficiency savings in contracts. Further savings had been identified in Revenues & Benefits through work to digitalise areas of the service – historically this department had proved to be effective in delivering savings. In relation to contract management an additional £200K of corporate resources had been identified, and the Audit & Standards Committee had identified the need for the organisation to build greater commercial skill in this area to lead to greater efficiencies.
- 123.4 In response to a series of question from Councillor G. Theobald the following responses were provided. The increase in Council Tax was a function of two areas, an increase in the rate, and an increase in the number of properties projected for collection. The funding for schools in the city was purely formula driven. Opting for the 3% precept for adult social care would help the Council to met the budget gap; it was

acknowledged that there might eventually be a tipping points for residents in relation to increases; however, collection rate had largely remained the same year on year. There was significant investment going into adult social care to help meet the £6.3M budget, and the precept funds would be used to do this.

- 123.5 In response to further questions from Councillor G. Theobald the following responses were provided. In relation to the modernisation fund it was highlighted that not all the fund had been allocated. The corporate rate of inflation was set at 2%, but this took account of a range of factors and averaged out at around this figure. Officers had undertaken work with the city's sports clubs to deliver the savings required in the parks and open spaces strategy. Councillor Hamilton noted that there were no fee increases proposed for sports clubs.
- 123.6 It was agreed that a response would be sent to Councillor Wealls in relation to the No. 37 bus service.
- 123.7 In response to a series of questions from Councillor Mac Cafferty the following responses were provided. Officers were of the view that services in relation to substance misuse reduction could still be delivered through the current contract and the deliver the savings required, whilst preventing people representing. In relation to front desk customers services the general approach was a channel shift to more self-service online, in terms of working with staff there was a training and development programme; Councillor Mac Cafferty asked Officers to carefully consider how this was carried out to take account of digital isolation in the city.
- 123.8 It was agreed that responses would be sent after the meeting to Councillor Mac Cafferty's questions in relation to sexual health services and the Citizen's Advice Bureau.
- 123.9 It was agreed that further information would be sent to Councillors Janio after the meeting in relation to the numbers of employees in the organisation that gave the detail missing from the raw FTE figure.
- 123.10 Councillor Sykes stated that the budget was unnecessary and damaging, he noted that whilst there were no easy options, the Green Group were engaging with Officers to see what amendments could put forward to rebalance some of the emphasis in the budget.
- 123.11 Councillor Hamilton highlighted the advantages of accepting greater rises in Council Tax in early years, and noted that this ability could be removed in years to come. He noted that many of the proposals were challenging.
- 123.12 Councillor Mitchell noted there was no planned increase in any fees and charges for sports clubs whilst changes to the services were being discussed. She also noted that the rate of inflation for parking was 2%, the corporate rate of inflation.
- 123.13 The Chair highlighted that a recent survey had suggested 94% of local authorities were planning to increase council tax this year, and 4/5 were likely or very likely to take up all or some of the adult social care precept.

123.14 The Chair then put the recommendations to the vote. These were carried with 4 in support and 6 abstentions.

123.15 **RESOLVED TO RECOMMEND:**

- 1) That Council agree the Administration's proposed Council Tax increase in the Brighton & Hove element of the council tax, comprising:
 - a) A general Council Tax increase of 1.99%;
 - b) An Adult Social Care precept increase of 3.00%;
 - c) The Council's net General Fund budget requirement for 2017/18 of £203.590m;
 - d) The 2017/18 budget allocations to services as set out in Appendix 1 incorporating 2017/18 savings proposals contained in the 4-Year Integrated Service & Financial Plans;
 - e) The reserves allocations as set out in paragraph 3.26 and table 2;
 - f) The Prudential Indicators as set out in Appendix 8 to this report.
 - g) That disabled bay application fees and individual bays be frozen at current rates.
- 2) That Council note the Equalities Impact Assessments to cover all budget options and their cumulative effect are set out in Appendices 9 and 10.
- 3) That Council approves the authorised borrowing limit for the year commencing 1 April 2017 of £419m.
- 4) That Council approves the annual Minimum Revenue Provision statement as set out in Appendix 7.
- 5) That Council notes the 4-Year Integrated Service & Financial Plans and associated Budget Strategies including savings proposals for later years up to and including 2019/20 at appendix 6.
- 6) That Council approves the strategy for funding the investment in change and flexible use of capital receipts set out in paragraphs 3.63 to 3.66.
- 7) That Council note that supplementary information needed to set the overall council tax will be provided for the budget setting Council as listed in paragraph 4.3.

123.16 **RESOLVED** – That the Committee agrees that officers be authorised to make any necessary technical, presentational or consequential amendments to this report before submission to full Council.

124 CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2017/18

- 124.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Capital Resources and Capital Investment Programme 2017/18. The purpose of the report was to inform the Committee of the level of available capital resources in 2017/18 to enable it to propose a Capital Investment Programme for 2017/18 to Budget Council. The capital programme set in the context of the Medium Term Financial Strategy included alongside the General Fund Revenue Budget and Council Tax report elsewhere on this agenda. The proposed programme results in £148.9m investment in Council services next year.
- 124.2 In response to a series of questions from Councillor Sykes the following responses were given. The Better Care Fund included an element for disabled facilities grants which would be subject to consideration by the Health & Wellbeing Board. The borrowing for Saltdean Lido would be part of the 2018/19 budget. It was agreed that further information on major projects could be circulated to the Committee after the meeting.
- 124.3 It was agreed that that further information in relation to 'tackling inequalities' in housing would be sent to the Committee after the meeting in response to Councillor Wealls question.
- 124.4 Councillor Janio highlighted that the majority of the capital investment in the city was in Brighton, and made a plea for more Hove related investment in future years.
- 124.5 The Chair then put the recommendations to the vote; these were carried with 4 in support and 6 abstentions.
- 124.6 **RESOLVED TO RECOMMEND** – That Council agree:
- 1) The Capital Investment Programme for 2017/18 in appendix 1.
 - 2) To note the estimated capital resources in future years as detailed in appendix 1.
 - 3) To allocate £0.25m resources in 2017/18 for the Strategic Investment Fund for the purposes set out in paragraph 3.23.
 - 4) To note the £2.0m allocation for the Digital First Scheme.
 - 5) To allocate £1.0m for the Asset Management Fund.
 - 6) The proposed use of council borrowing as set out in paragraph 3.40 and appendix 3.
 - 7) To note the use of capital receipts to fund investment in change as part of the governments Flexible Use of Capital Receipts strategy set out in paragraphs 3.26 and recommended in the General Fund Revenue Budget and Council Tax 2017/18 report.

125 HOUSING REVENUE ACCOUNT BUDGET AND INVESTMENT PROGRAMME 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY

- 125.1 The Committee considered a report of the executive Director for Finance & Resources in relation to Housing Revenue Account Budget and Investment Programme 2017/18 and Medium Term Financial Strategy. The report presented the proposed Housing Revenue Account (HRA) revenue and capital budget for 2017/18 as required by the Local Government and Housing Act 1989. Members were required to consider the revenue budget proposals including savings and service pressures as well as changes to rents, fees and charges and also the capital programme. The report also set out the Medium Term Financial Strategy and 30 year financial forecast.
- 125.2 The Chair then put the recommendation to the vote. These were carried with 6 in support and 4 abstentions.
- 125.3 **RESOLVED TO RECOMMEND** – That Council approves the updated HRA revenue budget for 2017/18 as shown in Appendix 1;
- 125.4 **RESOLVED** – That the Committee:
- 1) Approves a rent reduction of 1% in line with government legislation as detailed in paragraph 3.7;
 - 2) Approves service charges and fees as detailed in Appendix 2.
 - 3) approves the capital programme expenditure and financing budget of £39.854 million for 2017/18 and notes the 3 year programme as set out in Appendix 3;
 - 4) Notes the Medium Term Financial Strategy and 30 year financial projections shown in Appendix 4.
 - 5) Note that Appendix 1 ‘HRA Forecast Outturn 2017/18 & Revenue Budget 2017/18’ has been updated since being reported to Housing and New Homes Committee to include an up to date month 9 forecast for 2016/17 (updated from month 7). Also, a further service pressure of £0.045m has been added as explained in paragraph 3.4.

126 TARGETTED BUDGET MANAGEMENT (TBM) MONTH 9

- 126.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targetted Budget Management (TBM) Month 9. 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 9 (December) on the Council’s revenue and capital budgets for the financial year 2016/17.
- 126.2 In response to questions from Councillor Wealls the following responses were provided. There had been a spike in the level of agency social care provision, though there were currently no agency staff in management positions. There had been a successful recruitment campaign in the last few months leading to the appointment of eight permanent new social workers; the service had added a market supplement to

make the positions more competitive and staff had been attracted by the new working model – particularly newly qualified staff. By April it was envisaged that the service would have no agency staff. Nationally there had been a reduction in adoption levels and this had been identified as a court issue.

- 126.3 In response to questions from Councillor G. Theobald the following responses were provided. The Planning service had commenced pre-application charges for major and minor planning applications, a staged approach had been adopted which was reflected in the underachievement detailed in the report. The over-achievement on major work service charges for leaseholders related to the difficulty forecasting the completion of works; charging only took place at the point of completion. It was agreed that a response in relation to the HRA underspend would be provided to the Committee after the meeting.
- 126.4 In response to Councillor Mac Cafferty it was explained that some of the costs in relation to asylum seeking children could be claimed from the Home Office, this largely covered accommodation costs, but not the costs to health partners.
- 126.5 In response to questions from Councillor Sykes the following responses were provided. The community care variance sat across two directorates. The gains in an increased resource position by the end of the year created a higher balance and a higher level of interest added to the underspend. The pressures in the crematory service largely related to a private competitor setting their fees at a level to deliberately undercut the Council; however, work was being undertaken to look at selling the service on a regional level. There was an underspend in the 'Super Connected Cities' budget; however, this would not need to be given back to Central Government as the scheme had drawn down funds when a voucher was awarded.
- 126.6 The Chair then put the recommendations to the vote.
- 126.7 **RESOLVED:**
- 1) That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £1.862m. This includes a pressure of £0.603m 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 £2.236m.
 - 4) That the Committee note the forecast position for the Dedicated Schools Grant which is an underspend of £0.212m.

- 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.

127 SALTDEAN LIDO RESTORATION PROJECT

- 127.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Saltdean Lido Restoration Project. Saltdean Lido Community Interest Company (SLCIC) were appointed the Council's preferred bidder in the project to restore the Grade 2* Saltdean Lido and remove the building from the English Heritage "At Risk Register". This report provided an update on the significant progress made by SLCIC to meet the considerable challenge to restore the Lido.
- 127.2 Councillor G. Theobald congratulated the work of the community interest company (CIC), as well as the work of the Ward Councillors and Officers.
- 127.3 In response to Councillor Sykes it was confirmed that the original tender had included the provision of improved library services; however, since the award of it there had been significant increases in the costs to restore the lido, particularly the repairs to the original 1930s building. The CIC had done an excellent job in securing funding through an HLF bid and it was considered necessary for the Council to invest to bring this asset back into use that was currently at risk.
- 127.4 Councillor Janio thanked the work of Officers.
- 127.5 The Chair then put the recommendations to the vote.
- 127.6 **RESOLVED:**
 - 1) That Members note the progress made by SLCIC including on Phase 1 of the restoration. The pool is scheduled to be open for public use this summer (as indicated in 3.4)
 - 2) That Members note SLCIC has submitted a Stage 2 Heritage Lottery Fund application for £4.2 million towards the restoration of the main Lido building.
 - 3) That Members note SLCIC has identified the estimated cost of the restoration of the main Lido building to be £9 million. The CIC have applied for Charitable Trust status to assist their funding strategy to meet the total cost.
 - 4) That Members approve entry into the conditional Agreement for Lease with SLCIC. The conditions are listed in paragraph 3.12.
 - 5) That Members approve entry into the 60 year lease for the Lido when the conditions are satisfied in accordance with the Agreement for Lease.
 - 6) That Members note the restoration of Saltdean Lido will require the existing library building to be demolished. However, SLCIC have not been able to identify funding for the library section of the restored building to be built and fitted out, nor the provision of a temporary library during the works.

- 7) That Members approve funding of up to £0.7 million for temporary library provision and a new library in the restored Saltdean Lido and agree to include this commitment in the capital programme 2018/19.
- 8) That Members approve the investment in 2.7 will be funded through borrowing with the financing costs estimated to be £0.040 million per annum, and agree to this commitment being included in the Budget from 2018/19.

128 ORBIS PUBLIC LAW - UPDATE ON PROPOSALS FOR THE ESTABLISHMENT OF A SHARED LEGAL SERVICE

- 128.1 **RESOLVED** - That the Committee notes the progress and the next steps in relation to Orbis Public Law.

129 REVIEW OF THE CONSTITUTION

- 129.1 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Review of the Constitution. The report proposed changes to the Council's Constitution for approval by the Committee and Council. The issues set out in the report had been considered by the cross party Constitutional Working Group and Leaders Group.
- 129.2 Councillor G. Theobald expressed his concern in relation to paragraph 3.11 in the report which required any Committee making a decision outside the budget policy framework to specify how this would be done – he was concerned this could obstruct elected Members being able to propose amendments at Committees. Officers confirmed that any Member would be well within their rights to ask Officers to assist in finding this information; the responsibility would be with the Committee to ensure the funding was costed to prevent unfunded commitments.
- 129.3 In response to Councillor Sykes it was confirmed that whilst Budget Council made resourcing decisions these could be changed by service Committees within their agreed virement, if a decision was outside the budget 'envelope' this decision would have to be referred to the Policy, Resources & Growth Committee as it had the power to make such budget decisions.
- 129.4 Councillor Janio proposed an amendment to Appendix Three, paragraph 2(c) to insert the words shown below in italics, and read:
- (c) Where any Committee or Sub-Committee, subsequent to approval of the budget at Budget Council, intends to make a change which creates a financial commitment (including removal or deferral of approved savings) which is not provided for within the approved budget and policy framework set by full Council, the Committee shall identify from which funds the relevant commitment shall be met, *or alternatively, propose other savings measures for consideration by Policy, Resources & Growth Committee.* Any such proposals must be consistent with virement rules set out in the Council's Financial Regulations.

- 129.5 Councillor G. Theobald formally seconded amendment, and this was then put to the vote and **carried**.
- 129.6 Councillor A. Norman highlighted the proposed changes to the Audit & Standards Committee's terms of reference; the changes had come from a self-review looking at three main areas: playing a more effective role to create a control environment; supporting greater help from Members and creating more flexible means to focus on issues. All Members on the Committee and the Independent Persons had worked to achieve the aims which had led to more detailed reviews, more training and more internal meetings. Part of this work had been to review the terms of reference to ensure that the Committee acted as a critical friend to the Council, and make it clear that the Committee had a special role to secure value for money by explicitly stating this.
- 129.7 In response to Councillor G. Theobald it was explained that the currently agreed standards framework was considered to be the minimum that was legally required. The Council was obliged to have arrangements for dealing with complaints, this had to have a degree of objectivity and have independent persons. The Council had reduced the committee burden by combining the work with that of the committee audit functions, whilst most authorities still had a standalone standards committee. It was the view of the Monitoring Officer that it would be difficult to minimise the regime further.
- 129.8 The Chair then put the amended recommendations to the vote. These were **carried** with 6 in support and 4 against.
- 129.9 **RESOLVED:**
- 1) That the Committee approves the recommendations set out at paragraphs 3.20 and 3.21 (Scheme of Delegations, including to Field Officers) and notes the information at paragraphs 3.8 and 3.9 (Officer Employment Procedure Rules).
 - 2) That the Committee recommends to full Council the proposed changes to the Council's constitution as set out at paragraphs 3.2 to 3.19 in the report and Appendices 1-3 (together with the amendment to paragraph 2(c) in Appendix 3)
 - 3) That the Chief Executive and Monitoring Officer be authorised to take all steps necessary or incidental to the implementation of the changes agreed by the Committee or Full Council and that the Monitoring Officer be authorised to amend and re-publish the Council's constitutional documents to incorporate the changes.
 - 4) That, subject to resolution 5) below, the changes come into force immediately following approval by PR&G and full Council.
 - 5) That the changes referred to in paragraph 3.6 (limiting the time for debates on reports for information) come into force following annual Council and that the changes referred to in paragraphs 3.19 to 3.23 (delegations regarding field offices) come into force as soon as the field officers are appointed.
- 129.10 **RESOLVED TO RECOMMEND:** That the proposed changes to the Council's constitution recommended in resolution 2) above be approved and adopted.

130 PROPOSAL TO DISCONTINUE SUPPORT FOR THE OLDER PEOPLE'S COUNCIL (OPC)

- 130.1 The Chair asked Penny Morley to put her question to the Committee.
- 130.2 Penny Morley asked: "Please can the council explain why no consultation prior to the decision at the leaders' meeting was undertaken with the Older People's Council nor any consultation what-so-ever undertaken with older people in the city about the proposed removal of their vote in clear breach of their own stated policy on communication?"
- 130.3 The Chair replied: "I would like to start by pointing out that we are not talking about disbanding the OPC or disenfranchising older people. The proposals are simply intended to put the OPC on a sustainable, self-sufficient basis. We've made transitional arrangements by delaying the withdrawal of funding by 1 year and as the report points out officers will support and facilitate the OPC accessing alternative sources of funding including support in making an application under the council's annual grants programme as well as outside sources. The OPC was set up under different financial climate and as a responsible local authority we have a duty to review expenditure in the context of the prevailing financial challenges facing the council. The proposals will bring the OPC in line with most other community and voluntary organisations.

On the issue of consultation, we are not talking about closing older people's homes or a reduction in services provided by the council. This related to the OPC itself, therefore there is no legal obligation to consult. Notwithstanding this we did review the position following the receipt of your representations. As a result the officer support that was due to be withdrawn as of the 1 April 2017 will instead be continued for a transitional phase in order to assist the OPC in establishing new arrangements."

- 130.4 By way of a supplementary question Penny Morley asked: "Your own report identifies that members of the OPC including the chair have been informed of these proposals. How does making a decision without any discussion whatsoever with the people effected prior to the decision at the leader's meeting fulfil your criteria for community engagement and consultation or meet your duties under the Equality Act 2010 given that age is a protected category?"
- 130.5 The Chair replied. "Your comments are noted. As I've said to you before I made you aware the day after I was made aware that this was a cut that was being brought forward so I have sort to involve and engage with you and the rest of the OPC in as open and transparent way as I can. I absolutely regret that we are being forced to make but as you see from the budget report later on, it's part of £24 million of savings we have to make through the budget process. We are going to have to make many millions more in cuts over the next two years whilst our social care costs continue to increase. I do very much regret that this is a cut we are being forced to make obviously if we were to engage with you in further consultation I'm sure the outcome would be as expected; that you would not wish us to make this cut. We can provide a written response to your question about the Equality Act 2010"

- 130.6 The Committee considered a report of the Executive Lead Officer for Strategy, Governance & Law in relation to Proposal to Discontinue Support for the Older People's Council (OPC). The report presented a proposal for the Council to discontinue the provision of administrative and financial support for the Brighton & Hove Older People's Council (OPC), this in accordance with a staged process which will provide the OPC with the opportunity to investigate alternative sources of funding, if it wishes to do so. As the OPC was originally established by a Policy & Resources Committee (P&R) decision (in March 2001), any final decision to discontinue support will need to be taken by Policy Resources & Growth Committee (PR&G).
- 130.7 In response to Councillor Mac Cafferty it was explained that the budgeted figures were for full elections, and the Council had to assume the full costs even though this had not been the reality. The OPC would be able to look into the matter of electoral reform themselves during the transitional year. The OPC was not being disbanded, but instead treated like other community bodies in the city and being enabled to become self-supporting. Councillor Mac Cafferty stated his view that the OPC added value to discussion and processes in the Council.
- 130.8 Councillor G. Theobald stated that it was difficult to support expenditure given the scale of the budget savings proposed in the other reports on the agenda, he highlighted that concessions had been made to the OPC to ensure a transitional period.
- 130.9 Councillor A. Norman noted her support for the comments made by Councillor G. Theobald, but also expressed concern if no consultation had been undertaken with the OPC.
- 130.10 The Chair then put the recommendations to the vote. These were carried with 7 in support, 2 against and 1 abstention.
- 130.11 **RESOLVED** - That the Committee agrees the proposal to discontinue BHCC support for the OPC from April 2018, in accordance with the staged process outlined in the report.

131 ITEMS REFERRED FOR COUNCIL

- 131.1 There were no items referred to Council.

The meeting concluded at 7.11pm

Signed

Chair

Dated this

day of