

Subject:	Policy Review Panel Outcomes – Urban & Rural Estate		
Date of Meeting:	13th July 2017		
Report of:	Executive Director, Economy, Environment & Culture		
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The report outlines key findings and recommendations of the Policy Review Panel, which was established in February 2017 to review policy, governance and strategy relating to managing the council's urban and rural estates.
- 1.2 The recommendations consider proposals from the January 2017 Policy, Resources & Growth (PRG) committee to establish a cross-party Asset Management Board, to give member oversight of the management and continued development of existing strategies relating to the council's urban and rural estates.
- 1.3 The report also makes recommendations on the sale of two pieces of land; Plumpton Hill and Poynings, following substantial evidence gathering and consideration of views from a wide variety of stakeholders, organisations and campaign groups.

2. RECOMMENDATIONS:

That Policy Resource & Growth Committee:-

- 2.1 Notes and approves the Policy Review Panel's report (Appendix 1) and their recommendations (section 4 of Appendix 1).
- 2.2 Approves the proposal and draft Terms of Reference to establish a cross party Asset Management Board as set out at paragraph 4.4 and Appendix 3.
- 2.3 Authorises the Council's Monitoring Officer to update the Council's constitution to incorporate the new Board.
- 2.4 Notes that the Asset Management Board will provide regular updates on progress and report to this Committee.
- 2.5 Agrees to review the operation of the Asset Management Board after a period of 12 months (or earlier if considered appropriate).

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 At December PRG Committee 2016 a Notice of Motion was presented requesting the establishment of a Policy Review Panel to consider the governance and policy with respect to the city council's urban and rural estates. A report outlining the process for the Policy Review Panel was approved at the January meeting.
- 3.2 During December Full Council a Notice of Motion was passed asking for consideration to be given to the establishment of a cross-party Asset Management Panel to enable greater member oversight of the management of the council's commercial and agricultural assets.
- 3.3 At January PRG a recommendation was agreed (item 110) to establish a Policy Review Panel. The Policy Review Panel was asked to make recommendations back to Policy, Resources & Growth Committee on its findings including recommended Terms of Reference for the establishment of an Asset Management Board, as described in Appendix 3.
- 3.4 Also at the January PRG committee, item 111 was debated, concerning the sale of land at two rural sites – Poynings and Plumpton Hill. During the debate, a joint amendment was agreed that delayed the sale of these sites in order that they be discussed as a matter of priority at the first meeting of the Policy Review Panel, and that an agreed position be brought to PRG or an urgency PRG as necessary outlining the further options and recommendations.
- 3.5 The urgency of this review was due to the sale of agricultural sites contributing to the match funding requirement of the successful Stanmer HLF bid. The immediate task of the Policy Review Panel was to consider alternative sites and capital receipts to make up the potential shortfall in the match funding and the potential shortfall in the council's capital investment programme.
- 3.6 In summary the Policy Review Panel was established to:
- Review the respective sections of the Asset Management Policy as they concern Downland asset definition and disposal.
 - Review the Scheme of Delegation financial threshold for sensitive asset disposals to promote full scrutiny by members.
 - Consider proposals for the sale of land at Poynings and Plumpton Hill through scrutiny of further information, other funding options, expert evidence, and the views of conservation bodies.
 - Consider the establishment and remit for a cross party Asset Management Panel.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 Disposal of Plumpton Hill & Poynings Land

- 4.1.1 The disposal of Plumpton Hill and Poynings was initially considered and agreed by Policy & Resource committee in July 2014. Proposals were further considered and agreed at Policy & Resource committee in February 2016. The proposals were set out again for consideration at Policy, Resource and Growth committee

in July 2016, highlighting the dependencies with the Stanmer programme and council's Capital Investment Strategy.

4.1.2 Following a joint amendment at January 2017 PRG Committee, the sale of these sites was delayed. The Policy Review Panel was established in February 2017 to explore other options relating to the sale of the land, and to consider the financial implications relating to the Stanmer programme and Capital Investment Strategy.

4.1.3 The Policy Review Panel heard from a range of expert witnesses as part of its evidence gathering, to help inform recommendations regarding the disposal of Poynings and Plumpton Hill. Witness ranged from local campaigners to academic and commercial experts, as set out in section 5 of this report. The implications of both selling and retaining the land were fully explored by the Panel during this process.

4.1.4 Following the evidence gathering process, the Policy Review Panel recommends that the sale of the land at Poynings and Plumpton Hill is suspended and no longer considered in relation to the Stanmer programme or the Capital Investment Strategy. It is anticipated that other agricultural non-core assets, already agreed by Policy Resource & Growth Committee for disposal to support the Stanmer projects and a range of capital investment programmes, may achieve more than the initial anticipated valuations. The risk associated with this approach is deemed acceptable by the Panel, following advice from witnesses and experts. Any shortfalls or variations will be reported back to PRG committee.

4.2 **Stanmer Programme**

The Policy Review Panel considered financial implications relating to the Stanmer programme and recently successful HLF bid in light of their recommendation not to dispose of the land at Plumpton Hill and Poynings. In order to safeguard the bid, the panel recommended that the sale of two vacant cottages, listed as agricultural non-core assets and agreed for disposal by PRG in July 2016, would be brought forward to guarantee match funding and secure the HLF bid.

4.3 **Capital Investment Strategy**

The Capital Investment Strategy includes the disposal of a range of specific sites to support both the Parks for People HLF project, and the redevelopment of the Stanmer traditional agricultural buildings over the period 2015/16 to 2018/19. The estimated net proceeds for the specific sites is invested into the two Stanmer projects, and a proportion used to support the overall capital programme. The decision to no longer consider land at Poynings and Plumpton Hill reduces the estimated total receipts by £0.36 million. However, the majority of sites for disposal are based on estimates which will change as sales are agreed and there is potential for estimates to be exceeded. As the disposal programme progresses the financial position will become clearer; if a shortfall remains the financial implications of any options to manage the shortfall will need to be reported to Policy Resources and Growth Committee and reflected in future years' capital investment plans.

4.4 **Establishing a cross-party Asset Management Board**

4.4.1 The Policy Review Panel considers that a cross-party Asset Management Board should be established. The proposed role and scope of the board is set out in the draft Terms of Reference, included as appendix 3 to this report.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The Policy Review Panel heard from a range of expert witnesses as part of its evidence gathering. A full list of stakeholders consulted is shown below:

- Savills (BHCC's rural portfolio manager)
- Cluttons (BHCC's urban portfolio manager)
- Campaign to Protect Rural England
- Sussex Wildlife Trust
- National Farmers Unions
- Southdowns National Park
- Brighton University
- David Fursden (National Trust – board of trustees)
- Phil Belden (Conservation Policy Advisor)
- David Bangs (Keep Our Downs Public)

5.2 Evidence gathering took the form of written submissions, presentation to the panel, telephone conferences, and statements included in the panel's public meeting. The panel's report, which summarises all evidence, themes and findings, is included at Appendix 1 of this report.

6. CONCLUSION

6.1 The Policy Review Panel has completed its objective to thoroughly review options around the disposal of land at Plumpton Hill and Poynings, considering evidence from a range of stakeholders and perspectives, alongside existing policy and strategy relating to the wider urban and rural estates. The panel are satisfied that alternatives have now been fully explored, and that their recommendations have considered both financial and social value of the land.

6.2 Given the scale of work involved in reviewing the full suite of policy, governance and strategies relating to the management of the council's urban and rural estates, and the need for closer scrutiny and engagement of members in relation to strategic disposals, the Policy Review Panel considers that a cross party Asset Management Board will be an effective mechanism to oversee such matters. It also acknowledges the importance of understanding the current tapestry of strategies, and the scale of work involved before being able to make well-informed recommendations concerning the review of these policies.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The establishment of an Asset Management Board is not anticipated to have any direct financial implications. Officer time spent supporting the board is expected to be met from existing budgets.

- 7.2 The Parks for People HLF project included match funding from the proceeds of disposing land at Poynings and Plumpton Hill. The decision to suspend these sales and replace them with the bringing forward of disposing of two vacant cottages, originally planned for the redevelopment of traditional agricultural buildings, has ensured the HLF project can proceed.
- 7.3 The sites identified for disposal to support both Stanmer projects are based on estimates which will change and there is potential for these estimates to be exceeded. As the disposal programme proceeds the estimates will be revised and if a shortfall in funding remains, or is projected to remain, options to cover the shortfall will need to be presented to Policy Resources and Growth Committee and incorporated into future years' capital investment plans.

Finance Officer Consulted: James Hengeveld

Date: 11/04/17

Legal Implications:

- 7.4 Policy, Resources & Growth Committee has delegated power to establish the Asset Management Board, as proposed in this report, the Board will be an advisory body, making recommendations for decision to Policy, Resources & Growth Committee.

Lawyer Consulted: Elizabeth Culbert

Date: 28/04/17

Equalities Implications:

- 7.5 Equalities Impact Assessments have been completed for the Stanmer programme. Additional EIAs may be required should there be any change to existing policy and strategy as a result of the Asset Management Board's reviews.

Sustainability Implications:

- 7.6 Sustainability of land and resource was considered as part of the evidence gathering process undertaken by the panel, alongside consideration of social value associated with the council's freeholdings and Downland estate.

SUPPORTING DOCUMENTATION

Appendices

1. Policy Review Panel's Report
2. Written Submissions
3. Asset Management Board Terms of Reference

