

**BRIGHTON & HOVE CITY COUNCIL**

**POLICY, RESOURCES & GROWTH COMMITTEE**

**4.00pm 13 JULY 2017**

**COUNCIL CHAMBER, HOVE TOWN HALL**

**MINUTES**

**Present:** Councillors Morgan (Chair), Hamilton (Deputy Chair), Janio (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Bell, Mitchell, Peltzer Dunn, Sykes, Wealls and Yates.

**PART ONE**

**1 PROCEDURAL BUSINESS**

**1(a) Declarations of Substitutes**

1.1 There were none.

**1(b) Declarations of Interest**

1.2 Councillor Bell declared a non-pecuniary interest in Item 21 as an acquaintance of one of the tenants.

1.3 Councillor Sykes declared a non-pecuniary interest in Item 26 as he is currently employed by the Environment Agency.

**1(c) Exclusion of Press and Public**

1.4 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.

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

**2 MINUTES**

2.1 **RESOLVED-** That the minutes of the previous meeting held on 4 May 2017 be approved and signed as the correct record.

### 3 CHAIR'S COMMUNICATIONS

- 3.1 The Chair relayed to those present that the meeting would be webcast and capable of repeated viewing.

### 4 POLICY, RESOURCES & GROWTH URGENCY SUB-COMMITTEE

- 4.1 **RESOLVED-** That the decision of the Policy, Resources & Growth Urgency Sub-Committee held on 27 April 2017 be noted.

### 5 CALL OVER

- 5.1 The following items were reserved for discussion:

- Item 9: Revenue & Capital Budget Planning and Resources Update 2018/19
- Item 10: Targeted Budget Management (TBM) 2017/18: Month 2
- Item 11: Health & Social Care Integration
- Item 12: Annual Progress Update Corporate Key Performance Indicators 2016-17
- Item 13: Key Performance Indicators Target Setting 2017-18
- Item 14: Progress report on the Workforce Equalities Action Plan
- Item 15: Policy Review Panel outcomes- Urban & Rural Estate
- Item 17: New Homes for Neighbourhoods- Scheme and appropriation approval- Lynchet Close
- Item 18: Proposal for a new GP Surgery at 62/63 Old Steine and 3 Palace Place
- Item 21: Court Farm surrender
- Item 22: Bartholomew Square, Moshimo lease alternation and skylight development proposal
- Item 25: Procurement of the council's commercial portfolio's estate management consultancy contract
- Item 26: Grant of new leases Shoreham Airport
- Item 27: Orbis Joint Committee
- Item 33: Supported Bus Network- Contracts 2017-21 (Exempt Category 3)

- 5.2 The Democratic Services Officer 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 8: Treasury Management Policy Statement 2016-17- End of year review
- Item 16: New Homes for Neighbourhoods Modular Pilot- Y:Cube proposal
- Item 19: 39-41 Whitehawk Way
- Item 20: Disposal of flat 2 St James Mansions, Brighton
- Item 23: Housing Management System Procurement
- Item 24: Procurement of a new contract to service and install warden call systems in senior housing

### 6 PUBLIC INVOLVEMENT

- 6.1 There were none.

**7 MEMBER INVOLVEMENT**

7.1 There were none.

**8 TREASURY MANAGEMENT POLICY STATEMENT 2016/17 – END OF YEAR REVIEW****8.1 RESOLVED-**

- 1) That Policy, Resources & Growth Committee endorses the key actions taken during the second half of 2016/17 to meet the TMPS and practices (including the investment strategy) as set out in this report.
- 2) That Policy, Resources & Growth Committee notes the reported compliance with the AIS for the period under review.
- 3) That Policy, Resources & Growth Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised borrowing limit and operational boundary have not been exceeded.

**9 REVENUE & CAPITAL BUDGET PLANNING AND RESOURCES UPDATE 2018/19**

- 9.1 The Committee considered a report of the Executive Director, Finance & Resources that provided a budget planning and resource update for the 2018/19 budget process including an updated Medium Term Financial Strategy (MTFS) based on latest information and resource projections.
- 9.2 Councillor Sykes queried the reduction in working balance from £9 million to £7.5 million when the council's external auditors had appeared content with £9 million and that would release a further £1.5 million for investment in services.
- 9.3 The Executive Director, Finance & Resources explained that in previous years £1.5 million had been held back as a risk provision and the rationale behind the decision to reduce the working balance was to increase accountable of services and that meant moving the risk provision into the general reserves.
- 9.4 Councillor Sykes expressed his disappointment that the council now undertook little or no public and stakeholder consultation of its budget process as it previously had done as he believed it had value in terms of public input into service continuity. Councillor Sykes stated that he had some sympathy with officers and the administration relating to the extraordinary circumstances of budget setting meaning it was very difficult to plan and was overall a chaotic process. Councillor Sykes reflected that the majority of decisions made in dealing with austerity had been made by the previous administration including resolving equal pay issues and funding for the i360. Councillor Sykes observed that he believed more could have been done by the current administration to resist making cuts to services as it was very difficult to reinstate those services once they had been removed.

- 9.5 In relation to the provisional 1% pay award for 2018/19/20, Councillor Wealls noted that did not include escalation through pay scales. Councillor Wealls noted that the council's pension contribution rate would rise from 20.5% to 21% and reflected that employer contributions in the private sector were on average 6%.
- 9.6 In relation to budget consultation, Councillor Hamilton noted that whilst he supported such exercises in principle, in some areas, specifically council tax reduction, the response rate was very low meaning the consultation was costly. Councillor Hamilton noted that the current administration had been obligated to make an immediate £8 million of budgetary savings upon taking office and a further £60m over the course of the next two years. Councillor Hamilton stated that whilst the council's financial position was looking better, there would be significant challenges over the following two years with a number of issues unclear such as business rate retention and overall support from central government.
- 9.7 **RESOLVED-** That the Policy, Resources & Growth Committee:
- 1) Note the resource and net expenditure projections for 2018/19 and the Medium Term Financial Strategy (MTFS) projections set out in the body of the report and appendices 1 and 2 based on annual 1.99% Council Tax increases and a 3% Adult Social Care precept in 2018/19 only.
  - 2) Note the revised savings requirement of £21.5 million over the 2 years 2018/19 to 2019/20, including £11.6 million in 2018/19, to be used for budget setting purposes as detailed at paragraph 3.49.
  - 3) Instruct the Executive Leadership Team (ELT) to refresh the current 4 Year Service & Financial Plans and develop further savings proposals to address any outstanding budget gaps for 2018/19 and 2019/20, based on the MTFS assumptions in this report for consideration by Policy, Resources & Growth Committee.
  - 4) Agree the proposed approach to reviewing the Council Tax Reduction Scheme as set out in paragraphs 3.18 to 3.20.
  - 5) Note the resource projections for the Capital Investment Programme as shown in appendix 3.

## 10 TARGETED BUDGET MANAGEMENT (TBM) 2017/18: MONTH 2

- 10.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targeted Budget Management (TBM) 2017/18 Month 2. The report set out an early indication of forecast risks as at Month 2 on the council's revenue and capital budgets for the financial year 2017/18.
- 10.2 Councillor Sykes noted the significant potential overspends for legal support services and enquired what impact that may have upon the Orbis Partnership.
- 10.3 The Executive Director, Finance & Resources stated that this related to increased demand on legal services associated with child safeguarding. It was a part of a wider issue that would need to be returned to during the budget process relating to increase demand related pressures on central services that had reached tipping point. The Executive Director, Strategy, Governance & Law clarified that Orbis was not yet an

integrated service and supplemented that the increase in demand for legal services was a national trend.

10.4 Councillor Janio asked what the variance of the final outturn position could be predicted to be based on previous years' experience.

10.5 The Executive Director, Finance & Resources explained that in previous years, TBM Month 2 had forecast a larger outturn and higher overspend than the eventual result. In previous years, there had been a need for the finance team to intervene and implement service recovery plans where an overspend had been forecast. The above had meant historically, the forecast had gradually reduced through the year. The Executive Director, Finance & Resources explained that based on historical evidence and new approaches such as clearly identifying expected service pressures through the budget process, he would expect the forecast to similarly decrease through this financial year.

10.6 Councillor Hamilton noted that the TBM forecast table on page 34 of the addendum clearly demonstrated that monthly forecast variances had decreased toward year end in each of the past three years. Furthermore, £14.2 million had been set aside for service pressures in this financial year, something that had not been possible in the previous year.

10.7 On behalf of the Labour Group, Councillor Hamilton moved a motion to add a recommendation 2.11 and 2.12 as shown in bold italics below:

***2.11 That the Committee agree that £100,000 is committed to the Madeira Terrace crowdfunding campaign from the i360 reserve, subject to the crowdfunding target being achieved; and***

***2.12 That in addition to the funding set out at 2.11 above, the Committee agree to earmark a further £1m from the i360 reserve to support the regeneration and refurbishment of Madeira Terrace, subject to the approval of a business case by Policy, Resources & Growth Committee.***

10.8 Introducing the motion, Councillor Hamilton provided an apology that the recommendations had been omitted from the report stating that they should have been included in the allocation of 2016/17 outturn underspend. Councillor Hamilton noted that crowdfunding campaign had been identified at the previous committee as one of the methods in driving investment in Madeira Terrace. The second amendment was a commit to the residents of Brighton & Hove that action to refurbish and restore Madeira Terrace was being actioned and the investment would be subject to a business case being approved by the committee.

10.9 Councillor Mitchell formally seconded the motion.

10.10 Councillor Wealls expressed his concern that the motion had been received by the committee an hour and a half before the meeting. Furthermore, his group intended to move a motion to amend the recommendations on the back of the motion put forward by the Labour Group.

- 10.11 Councillor Mitchell countered that their motion had been emailed to the Leader of the Conservative Group the day before the meeting.
- 10.12 Councillor Wealls noted that the motion set out £1.1 million of funding and he did not believe an email to the Leader of his Group, which had not found its way to the other committee members, was a sufficient way to make decisions. Councillor Wealls added that in that context, his group would also be tabling a motion to amend to the recommendations
- 10.13 The Chair requested legal clarification on the procedural rules on tabling a motion.
- 10.14 The Executive Lead, Strategy Governance & Law clarified that the Constitution set a deadline of 10am on the day of the meeting for the submission of motions to amend the recommendations. If that deadline was not met, it was the discretion of the Chair whether to accept the amendment or not.
- 10.15 The Chair stated that sufficient time had been provided for submission of the amendment and therefore he would not use his discretion to accept the motion.
- 10.16 Councillor Peltzer Dunn asked for clarification as to what time the Labour Group motion proposed by Councillor Hamilton had been circulated to the committee.
- 10.17 The Executive Lead, Strategy Governance & Law confirmed that all motions relating to Item 10 with the exception of the motion tabled by Councillor Wealls had been received and accepted before the 10am deadline.
- 10.18 Councillor Peltzer Dunn asked what time the Labour Group motion had been circulated in print to the members of the committee.
- 10.19 The Democratic Services Officer confirmed that the all motions received by the 10am deadline had been circulated to committee members in print at approximately 2.45pm on the day of the meeting. Furthermore, all the motions had been published on the council website and emailed to committee members at approximately 12.45pm that day.
- 10.20 Councillor Peltzer Dunn stated that he did not believe the Labour Group motion had been circulated in sufficient time for Members to consider.
- 10.21 On behalf of the Conservative Group, Councillor Janio moved a motion to amend recommendation 2.7 and add an additional recommendation 2.7.1 as shown in bold italics below:
- 2.7 That the Committee ~~approve the allocation of the available~~ **notes the** 2016/17 outturn underspend as set out in paragraph 3.26 **and, in light of the projected 2017/18 overspend outlined in 2.1, agrees that the money be held in reserve until such time as the Council's overall financial position becomes clearer later in the year, subject to 2.7.1 below.**
- 2.7.1 That the following items be funded from the net capital receipt surplus of £7.5 million identified in paragraph 3.69 of item 9 on this agenda:**
- **Shoreham Memorial contribution**

- **Saltdean Lido loan**
- **Madeira Terraces project costs**
- **Parks and playgrounds improvements**

10.22 Introducing the amendment, Councillor Janio explained that he strongly believed in responsible financial management. Councillor Janio stated that the underspend from the previous year should have been discussed with the opposition groups as a mini budget round and agreed by all members of the Council. Councillor Janio noted that the outcomes of the recent LGA Peer Review were currently confidential. However, there appeared in the motion an attempt to address the outcomes before a wider discussion had taken place. Councillor Janio stated that the end of year financial position was unknown and therefore, the motion would, with the exception of important, specific issues, hold the underspend in reserve until the end year result was known

10.23 Councillor Wealls formally seconded the motion.

10.24 The Chair stated the underspend had been discussed by the three group leaders and he had spoken directly with Councillor Janio at the recently held Urgency Sub-Committee.

10.25 On behalf of the Green, Councillor Sykes moved a motion to amend recommendation 2.7 with the insertion of the words ***“the revised”*** in the second line as shown in bold italics below and to amend paragraph 3.26 and the table that appeared in the report with the deletion of text as struck through and the insertion of wording in bold italics as shown below:

2.7 That the Committee approve the allocation of the available 2016/17 outturn underspend as set out in ***the revised*** paragraph 0.

**Amended paragraph 3.26 of the report:**

3.26 The allocation of the available one-off 2016/17 outturn underspend resources of £0.642m is proposed as follows ~~set out in the table below:~~

Theme	Item	Sum £'000	Reason for proposal
Supported LGA Peer Review draft report	Ward Member Community Budget Scheme	<del>270</del> <b>60</b>	<del>To set aside resources to support a new scheme in 2017/18 (providing £5,000 per ward member) subject to approval of the scheme's detailed principles by this Committee in October. Future ongoing funding for the scheme will be considered as part of the annual budget setting process however it is intended that this will be recurrent.</del> <b><i>To provide a pilot scheme including part-year administrative costs, to be centrally held, and to be bid from by Members up to £2,000 on a first come first served basis, encouraging a seed-funding model.</i></b>
	<del>Ward Member Community Budget Scheme set-</del>	<del>25</del>	<del>Initial set-up costs of £15,000 and ongoing administration costs of £10,000 per annum.</del>

	<del>up and admin costs</del>		
<b>Budget council proposal</b>	<b>Third Sector Investment Programme</b>	<b>208</b>	<b>As originally proposed in Green amendments at the 23 February 2017 Budget Council. This one-off and future ongoing funding for this area will be considered as part of the annual budget setting process and it is intended that this will be recurrent.</b>
Agreed at Leaders Group	Shoreham Memorial Contribution	15	To approve BHCC's contribution towards design and feasibility for the Shoreham Air crash memorial.
	Saltdean Lido Loan	30	To reflect the decision made under urgency powers as per paragraph 6.3 of this report
Responses to changing circumstances	Trade Union Facility Time	50	To defer the approved 2017/18 budget saving subject to further review and negotiation. This is due to increased current demands on Trade Union support for complex staffing changes including the outsourcing of a range of Learning Disability Services, the transfer of Royal Pavilion services to a Trust, re-structures relating to the Orbis partnership with Surrey and East Sussex county councils, and the potential increased integration of health and adult social care services.
	Safeguarding	20	To respond to an Internal Audit review of building and access controls and specifically a recommendation relating to staff who require access to the homes of residents.
Priority Items	Weekend park manager and grass-cutting	<b>50 + 27 = 77</b>	<b>Funding for Park Manager cover at weekends (and busier weekday evenings) at busier parks in response to growing anti-social behaviour concerns in some of the busiest city parks, most notably The Level.</b> <b>Additional summer grass cutting: the service is currently struggling to keep up with grass cutting across the city and it is proposed to emulate the model used for the seafront and beach where additional, temporary staff are recruited.</b> For the future, these changes will be reviewed to inform the annual budget setting process.
	Madeira Terraces project costs	80	Project funding to continue the next stage of plans to restore and refurbish the Madeira Terraces including the establishment of a Crowdfunding campaign and the preparation of future bids for grant funding to support the project as required.
	Parks & Playgrounds	102	Improvements for parks and playgrounds including inter alia paving, seating, general environment e.g. planting, play equipment etc. as identified and subject to the funding available.
<b>Total</b>		<b>642</b>	

- 10.26 Introducing the amendment, Councillor Sykes stated that whilst a ward member community budget scheme may have its merits, it should be a pilot scheme and therefore begin at a reduced budget until a judgement could be made on its success or otherwise. Furthermore, Councillor Sykes stated that his group had disagreed with many of the decisions made at Budget Council in February 2017 and the current underspend position should be used to redress some of those decisions, specifically the Third Sector Investment Programme.
- 10.27 Councillor Mac Cafferty formally seconded the motion.
- 10.28 Councillor Mitchell welcomed the reported that demonstrated good financial management and the fact that the committee were discussing allocation of an underspend should be a position welcomed by the opposition groups. Councillor Mitchell noted that LGA Reviews consistently assessed the role of ward councillors and the support they received and introducing a ward member community budget was an attempt to respond to that. Councillor Mitchell added that the other items proposed demonstrated a responsive attitude to address need and demand where that occurred. One such issue was increased seasonal grass cutting and further staff in the cities busy parks. Councillor Mitchell relayed that she would be support the Green Group motion in full. In relation to the Third Sector, Councillor Mitchell noted that in the autumn, thousands of residents would be affected by the introduction of universal credit and although contingency funding had been identified in the council's budget, she would encourage the third sector to mitigate those particular measures wherever possible.
- 10.29 In reference to the proposed motion that had not been accepted, Councillor Wealls stated that this would have sought to amend the proposals for Madeira Terrace and for the committee to receive a business plan before allocating funding on the basis that the funding levels required were unknown until a business plan had been undertaken. Councillor Wealls noted that there was still a great deal of uncertainty about the delivery of the savings plan and with an overspend forecast, it was not correct to allocate the underspend. Councillor Wealls stated that there had not been a reasonable consultation process between the political groups ahead of the committee and on the decisions to be made. Councillor Wealls noted that ward member community budgets had not been discussed or reported to the Neighbourhoods, Inclusion, Communities & Equalities Committee as portfolio holder and he could not understand how the figure of £5,000 per Member had been reached. Furthermore, Councillor Wealls queried the intention behind deferring the 2017/18 budget saving relating to Trade Union facility time. Councillor Wealls expressed his belief that the administration had acted entirely inappropriately and the correct action for the committee to undertake was to adhere to the commitments made and review the financial position later in the year.
- 10.30 In relation to Madeira Terraces, the Chair explained that the council had received legitimate lobbying and complaints from residents to halt and reverse the decline and neglect of the Terraces. In response, the council had pledged to come forward with a solution. The previous meeting of the committee had agreed a strategy for Madeira Terrace and one of those options was to initiate crowdfunding. The £1 million of funding identified was subject to a business case coming before and agreed by the committee and no extra money would be spent before then. The Chair added that Heritage England viewed such initiatives and commitments favourably and that could bring further benefits.

- 10.31 Councillor Sykes thanked the Chair for providing further clarification on the financial commitments made regarding Madeira Terraces that had provided him with assurance. Councillor Sykes stated that given the historical budget trajectory from TBM Month 2 to the outturn position, it was appropriate to address budget cuts where that could be done and therefore, he would not be supporting the Conservative Group motion.
- 10.32 In relation to Madeira Terraces, the Executive Director, Economy, Environment & Culture explained that the aim of the crowdfunding campaign was to raise sufficient resource to allow for the first few arches to be restored and that had a specific target of £400,000. In committing the first £100,000, the council would be signalling their support and the investment would only be spent if the target was reached. Furthermore, there was evidence to show that public funding bodies looked favourably upon crowdfunding campaigns when considering bids as it demonstrated a positive public response to the project.
- 10.33 Councillor Yates stated that it was entirely reasonable to place a figure upon potential investment as it would provide a clear demonstration of commitment to the regeneration of Madeira Terrace and would be subject to the agreement of a business case defining the precise figure necessary.
- 10.34 Councillor Janio expressed his disappointment that the details of a private conversation had been brought up in a public meeting by the Chair. Councillor Janio stated that the approach of the administration with regard to governance processes for the committee meeting had been very flawed. Councillor Janio noted his confusion in that the committee report identified £80,000 of funding to Madeira Terraces and the Labour Group motion identified an additional £100,000 and he could not distinguish whether the final commitment was £100,000 or £180,000. Councillor Janio stated that it was unreasonable and irresponsible to discuss such a level of investment at such short notice.
- 10.35 The Executive Director, Economy, Environment & Culture clarified that the £80,000 figure identified at paragraph 3.26 of the report was for project funding for the entirety of the Madeira Terraces project. The Madeira Terraces was a long-term, capital regeneration project and the necessary support was required to deliver it.
- 10.36 Councillor Bell stated that committees were often given insufficient time to make decisions that often requested significant resource and as an opposition member of the council; he did not feel he was being provided a full picture of information.
- 10.37 The Chair then put the Labour Group motion to the vote which was carried.
- 10.38 The Chair then put the Conservative Group motion to the vote which failed.
- 10.39 The Chair then put the Green Group motion to the vote which was carried.
- 10.40 The Chair then put the recommendations as amended, to the vote which was carried.
- 10.41 **RESOVLED-**

- 1) That the Committee note the forecast risk position for the General Fund, which indicates a budget pressure of £1.375m. This includes a break-even position 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 £1.500m 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 currently a break-even position;
- 4) That the Committee note the forecast risk position for the Dedicated Schools Grant which is an overspend of £0.242m;
- 5) That the Committee note the forecast outturn position on the capital programme and approve the variations and slippage in Appendix 4 and the new schemes as set out in Appendix 5;
- 6) That the Committee approve a virement within the ring-fenced HRA transferring £0.750m from the revenue repairs and gas services budgets to investment in the HRA capital programme (paragraph 3.11);
- 7) That the Committee approve the allocation of the available 2016/17 outturn underspend as set out in the revised paragraph 0;
- 8) That the Committee approve the allocation of the additional £0.250m Concessionary Fares saving as set out in paragraph 3.27.
- 9) That the Committee approve a virement allocating Improved Better Care Funding of £4.643m to Health & Adult Social Care and £0.450m to Families, Children & Learning (see Adult Social Care section of Appendix 2)
- 10) That the Committee note that the Chief Executive exercised urgency powers in accordance with the constitution, after consultation with the Chair of this Committee, to provide £0.030m of short term loan financing to the Saltdean Lido Community Interest Company (paragraph 6.3).
- 11) That the Committee agree that £100,000 is committed to the Madeira Terrace crowdfunding campaign from the i360 reserve, subject to the crowdfunding target being achieved; and
- 12) That in addition to the funding set out at 2.11 above, the Committee agree to earmark a further £1m from the i360 reserve to support the regeneration and refurbishment of Madeira Terrace, subject to the approval of a business case by Policy, Resources & Growth Committee.

## **11 HEALTH & SOCIAL CARE INTEGRATION**

- 11.1 The Committee considered a report of the Executive Director, Health & Adult Social Care that set out the proposed shared commissioning arrangements between the council and Clinical Commissioning Group (CCG).

- 11.2 Councillor Yates stated that the proposals could be taken out of a national policy context and be seen as something that should be undertaken in a local context as the social care and health care systems should be closely conjoined. Councillor Yates stated that integration should take place slowly and sensible steps made forward. Councillor Yates conveyed that the public engagement sessions on this stage of integration had been very comprehensive, genuine and well received.
- 11.3 On behalf of the Green Group, Councillor Sykes moved a motion to amend recommendation 2.1 as shown in bold italics below:
- 2.1 That Policy, Resources & Growth Committee note the report and;
- ~~Agree the principle of further integration between the CCG and Council and the local direction of travel towards a new model of city-wide health and social care.~~
  - Authorise officers to work with CCG colleagues and other NHS Providers in order to bring detailed proposals to the Policy Resources and Growth Committee in October 2017.
  - ~~Note the direction of national policy.~~ ***Express concern about funding gaps in drafts STPs and authorise officers to raise this in relevant fora***
- 11.4 Councillor Mac Cafferty formally seconded the motion.
- 11.5 Introducing the amendment, Councillor Sykes stated that he was unclear as to the purpose of the report. Councillor Sykes noted that the committee had received a report in September 2016 that was much clearer on the next steps in health and social care integration and timescales. Councillor Sykes added that the recommendations in this report were vague and did not necessarily keep in context of what had been previously agreed. Councillor Sykes noted his concern that there was no specific mention of Sustainable Transformation Plans (STP's) in the report although it was implicitly referenced.
- 11.6 Councillor Mac Cafferty stated that more evidence was needed on the need for change. Councillor Mc Cafferty noted a paper produced by the National Audit Office in February 2017 entitled '*Health & Social Care Integration*'. Councillor Mc Cafferty relayed that the paper was damning of health and social care integration and cast extensive doubt on outcomes for patients and the scope for integration process to realise savings. Councillor Mac Cafferty stated that he had great concern for the impact of STP's and integration for residents and that the likely funding gap would affect those most vulnerable.
- 11.7 Councillor Bell stated he agreed with the comments made by Councillor Yates. Councillor Bell stated closer integration was something that needed to be done and encouraged. Councillor Bell added that the additional funding from central government was welcome and the position of funding was still uncertain.

11.8 The Chair then put the Green Group motion to the vote that failed.

11.9 The Chair put the recommendations to the vote that passed.

11.10 **RESOLVED-**

- 1) That Policy, Resources & Growth Committee note the report and;
  - Agree the principle of further integration between the CCG and Council and the local direction of travel towards a new model of city-wide health and social care.
  - Authorise officers to work with CCG colleagues and other NHS Providers in order to bring detailed proposals to the Policy Resources and Growth Committee in October 2017.
  - Note the direction of national policy.

**12 ANNUAL PROGRESS UPDATE CORPORATE KEY PERFORMANCE INDICATORS 2016-17**

12.1 The Committee considered a report of the Chief Executive that set out the year-end 2016/17 performance progress in relation to Corporate Key Performance Indicators (KPI's).

12.2 Councillor Sykes noted his concern that the number of KPI's classified as red had increased since July 2014 and the customer satisfaction rate with the performance of the council was lower than the national average. Councillor Sykes expressed concern that the Staff Survey question relating to bullying and harassment had been changed significantly with the phrasing much more likely to receive a positive response. Furthermore, Councillor Sykes noted that there were a number of red indicators that were of particular worry including fuel poverty, levels of violent crime, air quality and the number of children with Child Protection Plans and Children in Care.

12.3 Councillor Wealls noted that it would be beneficial for the data on Planning performance to be separated out to highlight where planning applications had been subject to extensions and show the length of time taken to determine an application from submission to determination. Councillor Wealls stated that he believed that the KPI for average Progress 8 score should be increased as the target was under ambitious had had been exceeded in actual performance. Councillor Wealls expressed his disappointment not only that the KPI target for average Progress 8 score for disadvantaged children was -0.31 but actual performance was below that target at -0.44. Councillor Wealls stated that there was a lack of clarity about who owned targets and he would welcome Member input into target setting.

12.4 The Executive Director, Economy, Environment & Culture confirmed that Planning performance and data on use of extension data could be provided.

12.5 In relation to the question raised on Progress 8, the Executive Director, Families, Children & Learning clarified that there were significant changes to the assessment regime for GCSE's and there was still some uncertainty about what those changes

would mean in terms of outcomes. KPI's would be something looked at carefully once results for this year were announced.

- 12.6 In relation to the questions raised on ownership and accountability, the Executive Lead, Strategy, Governance & Law clarified that a change would be made to the system whereby indicators and associated targets would be agreed by the committee as detailed in Item 12 of the agenda. The Head of Performance Improvement & Programmes added that the setting of targets was much more rigorous and in some instances, as detailed at paragraph 4.7 of the report, the target was stretched beyond that of comparator authorities that occasionally led to more red and amber rated KPI's and that as the indicator set for 2016-17 has been different to the previous years, it was difficult to make direct comparison on the overall proportion of the RAG ratings.
- 12.7 **RESOLVED-** To review progress in relation to Corporate KPIs particularly corrective measures outlined for 'red' and 'amber' indicators and provide ongoing support and challenge to lead officers to bring performance back on track.

### **13 KEY PERFORMANCE INDICATORS TARGET SETTING 2017-18**

- 13.1 The Committee considered a report of the Chief Executive that set out draft Corporate Key Performance Indicator targets and associated rationales for the 2017/18 year.
- 13.2 Councillor Sykes noted that a number of important KPI's were proposed to be removed for 2017/18 and enquired as to the process in removing those indicators.
- 13.3 The Head of Performance Improvement & Programmes clarified that each directorate determined their KPI's with an emphasis on managing fewer KPI's but managing them well and that as an example a KPI would be removed if there was duplication in reporting through other means such as capital receipts through the regular Targeted Budget Management reports.
- 13.4 **RESOLVED-**
1. To review and approve the Corporate KPI set and associated targets proposed by Leadership Board as set out in Appendix 2
  2. To note that target figures may change during the year if new benchmarking figures become available. PR&G approval will be sought if there is a proposal from Directorates to change the rationale for particular targets.

### **14 PROGRESS REPORT ON THE WORKFORCE EQUALITIES ACTION PLAN**

- 14.1 The Committee considered a report of the Executive Director, Finance & Resources that provided an update on how the council is performing against its Workforce Equalities Action Plan.
- 14.2 Councillor Mitchell welcomed the report noting that slow but steady progress was being made. Councillor Mitchell stated that she was pleased to see an increase in applications

and noted that realistic ambitions were set out in the 5 year plan. Councillor Mitchell stated that she hoped a further report could be received by the committee in the not too distant future.

#### 14.3 **RESOLVED-**

- 1) That the Committee note the progress made during Year 4 of the Workforce Equalities Action Plan as summarised in paragraphs 3.7-3.28.
- 2) That the Committee approve the areas of focus of the work programme under the Action Plan for the year.

### 15 **POLICY REVIEW PANEL OUTCOMES - URBAN & RURAL ESTATE**

- 15.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that outlined the key findings and recommendations of the Policy Review Panel established in February 2017 to review policy, governance and strategy relating to managing the council's urban and rural estates.
- 15.2 Councillor Mitchell welcomed the report as a very good and thorough piece of work and commended the Panel's findings. Councillor Mitchell stated the Panel was a worthwhile exercise for increasing Members understanding, specifically in relation to the balance between best value and the wider social and environmental considerations. Councillor Mitchell thanked officers for establishing a Panel at short notice and for identifying experts in the field and arranging for them to attend meetings of the Panel. Councillor Mitchell also thanked Councillors Janio and Sykes for their valuable involvement and the report provided a sound basis for newly established Asset Management Property Board (AMPB) to take the Panel's work further.
- 15.3 Councillor Sykes stated that it had been a privilege to hear from experts in downland estate and rural management. Councillor Sykes stated that he did not believe the report reflected the richness of the debate and discussion of the Panel with its emphasis on land as a financial asset and did not establish the benefit of public ownership of the freehold of the land. Councillor Sykes surmised that the report was a misinterpretation of the Panel's discussion and he would be abstaining in the vote.
- 15.4 Councillor Janio welcomed the findings of the report and noted the benefit for Members and officers of political oversight of decisions.
- 15.5 Councillor Peltzer Dunn congratulated the Panel for an extensive and very detailed report. Councillor Peltzer Dunn noted that the recommended Terms of Reference for the AMPB set out a two working day timeframe for distribution of agendas. Councillor Peltzer Dunn found this to be too short a timeframe and that it should be extended to five working days.
- 15.6 The Committee agreed to extend the deadline for circulation of agendas to five working days ahead of the meeting.
- 15.7 **RESOLVED-** That Policy Resource & Growth Committee:-

- 1) Notes and approves the Policy Review Panel's report (Appendix 1) and their recommendations (section 4 of Appendix 1).
- 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.
- 3) Authorises the Council's Monitoring Officer to update the Council's constitution to incorporate the new Board.
- 4) Notes that the Asset Management Board will provide regular updates on progress and report to this Committee.
- 5) Agrees to review the operation of the Asset Management Board after a period of 12 months (or earlier if considered appropriate).

## **16 NEW HOMES FOR NEIGHBOURHOODS MODULAR PILOT - Y:CUBE PROPOSAL**

16.1 **RESOLVED-** That Policy, Resources and Growth Committee take note and approve the recommendations as set out below, as recommended for approval by Housing and New Homes Committee:

- 1) That the land at Eastergate Road, Brighton as identified in the plan at Appendix 1 be made available for leasing for the development of affordable rented housing.
- 2) That there be delegated authority to the Executive Directors for Economy, Environment & Culture, Finance and Resources and Neighbourhoods, Communities & Housing (in consultation with each other) to enter into the necessary contracts with YMCA DownsLink Group to lease the largely cleared council housing garage site at Eastergate Road, Brighton in order to secure the building of modular Y:Cube homes for affordable rent by the YMCA. The granting of the lease is subject to YMCA DownsLink Group obtaining planning consent, funding and entering into a nominations agreement with the council.

## **17 NEW HOMES FOR NEIGHBOURHOODS – SCHEME AND APPROPRIATION APPROVAL - LYNCHET CLOSE**

- 17.1 The Committee considered a report of the Executive Director, Economy, Environment and Culture which included the findings of the business case for eight new council homes for rent at a primarily HRA owned, grassed site at Lynchet Close, Hollingdean and sought scheme and budget approval to develop them and requested approval to appropriate a small strip of land from the council's Environmental Services department to the HRA in order to let the development proceed. The report had been referred from the Housing & New Homes Committee recommended for approval.
- 17.2 Councillor Sykes enquired as to nil valuation of the strip of land situated alongside the site.
- 17.3 The Project Manager clarified that this was a small, oddly shaped piece of land that was unlikely to be put to any other purpose and therefore had nil value.

- 17.4 On behalf of the Conservative Group, Councillor Bell moved a motion to add a recommendation 2.2 as shown in bold italics below:
- 2.2 That Policy, Resources & Growth Committee instructs the Executive Director, Finance & Resources to carry out a thorough audit and value for money exercise into the base build costs of the Council's house building programme with the results to be reported to the Audit & Standards Committee and any recommendations therein referred to the Housing & New Homes Committee as soon as possible***
- 17.5 Introducing the motion, Councillor Bell explained that there had been several meetings on the issue that had failed to provide a breakdown of costs and had not provided sufficient detail that had facilitated uncertainty. Councillor Bell noted that there was a build cost of sixty years matched against a budget cost of forty years that had also prompted uncertainty. Councillor Bell surmised that the motion was an attempt to ensure a thorough audit and value for money exercise was conducted for the entirety of the council's house building programme.
- 17.6 Councillor Janio formally seconded the motion.
- 17.7 Councillor Yates asked for clarification on the motion as it did not identify where the cost of conducting an audit would be found.
- 17.8 The Executive Director, Finance & Resources answered that extra work was not currently budgeted for so would be charged against the overall HRA programme cost.
- 17.9 Councillor Yates enquired as to whether the extra work and increased cost of the programme would therefore lead to an increase in rents.
- 17.10 The Executive Director, Finance & Resources stated that the extra work would require the appointment of an external audit firm to ensure it was an independent review. The extra cost would reduce the HRA surplus or lead to an increase in service charges.
- 17.11 Councillor Sykes noted that the programme had used independent cost consultants and that was something the council was now doing widely as a developer. Councillor Sykes added that he had been sufficiently assured by the detail of the report and so would not be supporting the motion as it would likely lead to a duplication of work and was not a sensible use of money.
- 17.12 Councillor Janio stated that the intention of the motion was to give clarity on consistent, reliable build costs for the council as a developer.
- 17.13 The Chair asked whether that all projects under the New Homes for Neighbourhoods scheme were externally costed and audited.
- 17.14 The Executive Director, Economy, Environment and Culture answered that the council used independent quantity surveying consultants to scrutinise costs throughout the design and development process and they had a duty of care to the council in doing so. The Executive Director, Economy, Environment and Culture added that at the end of the project, the consultants would provide a best value review to confirm that the council

had achieved value for money. The Executive Director, Economy, Environment and Culture noted that the estimated costs compared favourably with the closest comparator costs for builds of the kind. The Executive Director, Economy, Environment and Culture noted that there had been an internal audit review of the New Homes for Neighbourhoods programme that gave substantial assurance that each project delivered value for money, excellent project management was in place and each had comprehensive budget management arrangements.

17.15 Councillor Bell stated that he had found it very difficult to obtain financial information of any assurance on the project. Councillor Bell stated that he could not understand why the council did not engage architects and engineers on fixed-term contracts and only engaged an open ended book. Councillor Bell stated that the intention of the motion was to review processes.

17.16 The Executive Director, Economy, Environment and Culture stated that it was usual practice to provide estimated costs rather than actual cost at this stage in the project process. Then, as with any capital project, there would be further reports on any variations. Furthermore, there was a cross-party Board who would be reviewing the project as it progressed and there would be a report on costs to the Housing & New Homes Committee as well as a dedicated workshop for all Members.

17.17 Councillor Janio stated that he had been comprehensively assured by the update and therefore, the motion would be withdrawn.

17.18 **RESOLVED-** That Policy, Resources and Growth Committee note and approve the recommendations as set out below, as recommended for approval by Housing and New Homes Committee:

- i. Approve that the Environmental Services land marked with hatching in Appendix 1 be appropriated to the Housing Revenue Account for a nil capital receipt for planning purposes to enable the whole vacant Lynchet Close site to be developed for new council housing;
- ii. Approve a budget of £2.532m for the Lynchet Close scheme in the HRA Capital Programme which will be financed through a mixture of HRA borrowing and retained Right to Buy capital receipts.

Note: The meeting was adjourned at 6:15pm and reconvened at 6:28pm

## **18 PROPOSAL FOR A NEW GP SURGERY AT 62/63 OLD STEINE AND 3 PALACE PLACE**

18.1 The Committee considered a report of the Executive Director, Finance & Resources that relayed the agreement for the grant of a new 20 year lease for 62/63 Old Steine and 3 Palace Pier to the GP's from Ardingly Court Surgery at market rent and sought agreement for the council to borrow approximately £0.850million to add to the £0.813 million funds from the NHS England's Estates and Technology Transformation Fund (ETTF) for the development and fit out of the new GP surgery.

18.2 Councillor Sykes noted that for 7,5,00 sq ft of floor space, the council should be expecting £105,000 rental income per annum and asked if that was the case and whether there would be uplift under the new arrangement.

18.3 The Senior Estates Surveyor confirmed that was approximately the current rental income and there would be 20% uplift under the new arrangement.

18.4 **RESOLVED-**

- 1) That, subject to final agreement with the NHS and GP Surgery, the Committee notes the grant of a new 20 year Lease at market rent of 62/63 Old Steine and 3 Palace Place to Ardingly Court Surgery for use as a GP Surgery under officer delegations.
- 2) That the Committee agrees to provide an estimated £0.850million investment, funded through borrowing, to be added to the £0.813 million of ETTF grant funding to enable the redevelopment of the property for the delivery of modern fit for purposes GP facilities.
- 3) That the committee agrees to add the total scheme costs of £1.663 million to the council's capital investment programme with the financing costs of the borrowing recovered from the NHS CCG over the 20 year lease.
- 4) That committee delegates authority to the Executive Director Economy, Environment & Culture following consultation with the Assistant Director Property & Design and Head of Legal Services to approve terms.

19 **39-41 WHITEHAWK WAY**

19.1 **RESOLVED-** That the Committee authorises the disposal of the subject properties to SHA by way of long leasehold (option 4) and that delegated powers be given to the Executive Director of Economy, Environment & Culture, Assistant Director Property & Design and Head of Legal Services to approve terms.

20 **DISPOSAL OF FLAT 2 ST JAMES MANSIONS, BRIGHTON**

23.1 **RESOLVED-** That the Committee authorises the disposal by way of long leasehold of Flat 2 St James Mansions and that delegated powers be given to the Executive Director of Economy, Environment & Culture, Assistant Director Property & Design and Head of Legal Services to approve terms

21 **COURT FARM SURRENDER**

21.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that sought authorisation for surrender of the major part of the existing Agricultural Holding Act (AHA) tenancy of Court Farm for authorisation of the letting of the land surrendered by way of two Farm Business Tenancies (FBT).

- 21.2 Councillor Sykes stated that whilst he welcomed the report, he had concerns that commercialisation of the remaining land under AHA tenancy may occur, specifically that it may be developed for overflow parking from the AMEX Stadium and whether there was opportunity under the new tenancies for the council to have some influence of the use of the land for social and ecological ends.
- 21.3 The council's agent from Savill's explained that in relation to use of the remaining land, no agreement had been made on its use and any alteration from agricultural use would need to be agreed by the council and planning consent obtained from the South Downs National Park Authority (SDNPA).
- 21.4 **RESOLVED-** That the Committee:
- 1) Authorise the surrender of the Agricultural Holdings Act Tenancy on the terms proposed at paragraph 3.3.
  - 2) Authorise the letting of the land surrendered by way of 2 Farm Business Tenancies to existing council farm tenants, of adjacent farms, terms to be approved by the Assistant Director Property & Design in consultation with the Executive Director of Economy, Environment & Culture.

## **22 BARTHOLOMEW SQUARE, MOSHIMO LEASE ALTERATION AND SKYLIGHT DEVELOPMENT PROPOSAL**

- 22.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that requested approval of the proposed extension of the lease demise for the ground floor Moshimo restaurant that would enable the implementation of planning permission already granted under reference BH2016/03008. The report also requested approval of terms for the proposed Skylight extension; for a lease of the airspace of Bartholomew Square and roof space at Bartholomew House to enable the development of a new restaurant as proposed under the consented planning permission BH2016/03008.
- 22.2 Councillor Peltzer Dunn noted that professional advice and been sought on the proposal and rejected although the report did detail the grounds for that rejection. Referring to paragraph 3.9 of the report, Councillor Peltzer Dunn stated that it was unclear precisely how many jobs would be created during and after the construction, and that whilst the council would generate an increased business rate income, that would also mean a higher level of compensation should the council choose to re-acquire the site. Councillor Peltzer Dunn noted that Bartholomew Square was occupied by ordinary modern buildings that typically had a limited life and therefore, if the council decided to undertake redevelopment of the site, it would be hamstrung by the Moshimo development, should it go ahead. Councillor Peltzer Dunn stated that he believed paragraph 3.5 to be a fair assessment and he was surprised that expert advice had been rejected. Councillor Peltzer Dunn added that there was an inconsistency in the council's approach when compared to Item 25 of the meeting's agenda. Councillor Peltzer Dunn asked whether an expected capital value was asked for on the site. Councillor Peltzer Dunn surmised that he believed that Option 1 was not sensible, Option 3 left the council hamstrung and therefore, Option 2 was the reasonable course.

- 22.3 The Executive Director, Economy, Environment & Culture provided reassurance the officers had not gone against the professional advice obtained and they had been included throughout the negotiations. The professional advice on purely commercial terms was that the council may not want to lease the roof space at Bartholomew House. However, further advice had been given as outlined in the Part Two report on the wider benefits to the city, the council's role in the city as asset owners and wider social and economic objectives and terms that might reflect that.
- 22.4 The Senior Estates Surveyor clarified that advice had not been sought on the developments impact on the council's existing interests Bartholomew Square as that would be a very broad exercise and it would be difficult to assign value.
- 22.5 Councillor Bell stated that he was initially encouraged by the development however; he had increasing concerns about the liability to the council in terms of fire safety and fire escapes and security. Councillor Bell added that he did not see anything in the report in terms of cost-recovery for the increased measures the council would have to undertake. Councillor Bell noted his concern that the council would be liable to pay compensation of twice the rateable value if it wished to receive the site back at the end of the lease and the restriction the development would place on the opportunity to redevelop Bartholomew Square.
- 22.6 The Senior Estates Surveyor clarified that the additional costs accrued by the council in relation to the development, specifically fire safety plans and additional security would be met by the tenant. In addition, agreement had been made that the tenants would provide contribution to the repair and upkeep of Bartholomew House. On the issue of compensation at the end of the lease, this was a statutory obligation afforded to businesses under the Landlord & Tenant Act.
- 22.7 Councillor Wealls asked for clarification on whether the recommendations were steered by the administration or was an assessment and proposal put forward by officers adding that he would be interested to hear the view of the administration on the development proposal.
- 22.8 The Executive Lead, Strategy Governance & Law clarified that the protocol for reports was that the recommendations were consulted with Lead Members but ultimately, the report and recommendations therein were in the name of and put forward by, the relevant Executive Director.
- 22.9 Councillor Yates stated that the council had to consider the wider economic, regeneration and tourism benefits to the development and not commercial interest alone. Councillor Yates added that the proposals put forward were reached by balancing a number of factors with consideration of the medium term outlook for Bartholomew Square. Councillor Yates stated that overall, the proposals provided social, economic and tourism opportunities and made best use of the current space.
- 22.10 Councillor Peltzer Dunn asked for clarification that the terms negotiated were in accordance with Section 123 of the Local Government Act 1972.
- 22.11 The Executive Director, Economy, Environment & Culture confirmed that was the case and that was set out in paragraph 3.2 of the Part Two report.

22.12 Councillor Peltzer Dunn stated that in his view, an agent demonstrating prudent commercial property management would not have rejected the initial advice and there appeared an attempt to justify the scheme on other grounds. Councillor Peltzer Dunn stated that there may be short-term benefits to the development but this consideration was outweighed by the significant long-term financial risk to the council and he would not be supporting the proposals.

22.13 **RESOLVED-** That Committee:

- 1) Approves the grant of a new lease for the skylight extension including use of roof space at Bartholomew House. In principle terms are summarised in Part 2 of this report.
- 2) Approves the extension of the ground floor demise of the existing restaurant by way of a lease surrender and re-grant, to enable the expansion of the existing restaurant. In principle terms are summarised in Part 2 of this report.
- 3) Delegates authority to the Executive Director of Economy, Environment & Culture, Assistant Director Property & Design and Head of Legal Services to approve detailed lease terms.

## **23 HOUSING MANAGEMENT SYSTEM PROCUREMENT**

23.1 **RESOLVED-** That the Policy, Resources & Growth Committee agree that:

- 1) The Executive Director Neighbourhoods, Communities & Housing is granted delegated authority to:
  - (i) Carry out a procurement of a new housing management IT system for council housing services and;
  - (ii) Award and let a contract with the preferred supplier for a period of 5 years with an option to extend by 2 years.
- 2) A budget of £1.200m for a contract for a new housing management IT system, funded by Housing Revenue Account reserves, is approved.

## **24 PROCUREMENT OF A NEW CONTRACT TO SERVICE AND INSTALL WARDEN CALL SYSTEMS IN SENIORS HOUSING**

24.1 **RESOLVED-**

- 1) That Housing & New Homes Committee recommends to Policy, Resources & Growth Committee that delegated authority is granted to the Executive Director with responsibility for Neighbourhoods, Communities & Housing, following consultation with the Executive Director of Finance & Resources to:
  - (i) Launch a competitive procurement process to secure a contractor to supply, install, service and repair all equipment needed to provide Warden Call systems in Seniors Housing;

- (ii) Award a contract with a term of 4 years to the bidder offering the best value in terms of price and quality;
- (iii) Approve an extension (or extensions) of the contract for up to a further period of 2 years if required and dependant on performance.

## **25 PROCUREMENT OF THE COUNCIL'S COMMERCIAL PORTFOLIO'S ESTATE MANAGEMENT CONSULTANCY CONTRACT**

- 25.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that sought authority to competitively tender the council's commercial portfolio Estate Management service for the urban and agricultural property portfolios in accordance with The Public Contracts Regulations 2015.
- 25.2 Councillor Sykes asked why the report detailed TUPE implications when those concerned were not council employees.
- 25.3 The Assistant Director, Property & Design clarified that TUPE implications would apply if an alternative contractor won the tender and staff would most likely transfer.
- 25.4 Councillor Sykes stated that he believed a number of factors should be taken into account when undertaking such a tendering process specifically, the way consultants dealt with disposals and the opportunity in contracts to go beyond financial considerations and take account, and promote, environmental and social factors.
- 25.5 The Assistant Director, Property & Design replied that she had attended a meeting of the Procurement Advisory Board and the latter issue would be a point reviewed for inclusion in tendering specification.
- 25.6 **RESOLVED-** That Policy, Resources & Growth Committee:
- 1) Authorises the procurement of the new Estate Management service contracts for:
    - (i) the council's urban property portfolio; and
    - (ii) the council's agricultural property portfolio

each with an initial term of 5 years and an option to extend the initial term by up to a further 2 years.
  - 2) Delegates authority to the Executive Director, Economy Environment and Culture following consultation with the Assistant Director, Property & Design to:
    - (i) Award the contracts referred to in 2.1 above following the recommendations of the working group evaluation panel and the results of the tendering process; and
    - (ii) Approve any extension(s) to the initial term of the contracts of up to 2 years, dependent upon performance.

- 3) Note that the tender specifications for the new contracts will be reviewed and updated to take into account relevant recommendations from the recent Policy Review Panel as well as any additional relevant recommendations from the proposed Asset Management Board.

## 26 GRANT OF NEW LEASES SHOREHAM AIRPORT

- 26.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture that summarised the current negotiating position with the administrators of Shoreham Airport and sought agreement to enter into new leases.
- 26.2 Councillor Janio thanked officers for their work on the matter and stressed the importance of a unanimous position from the committee to demonstrate its full support to partner authorities.
- 26.3 The Chair agreed with the comments made by Councillor Janio adding that he too fully supported the recommendations. The Chair welcomed the land dedicated as memorial garden to the Shoreham Airshow Crash which was a very important issue for residents across the region.
- 26.4 **RESOLVED-** That Committee notes the approach made by the administrators and authorises:-
  - 1) The surrender of the existing head leases.
  - 2) The grant of a new 350 year lease on the whole site outlined red on the plan at Appendix 1 in return for:
    - (i) the payment of the £1 million outstanding debt owed
    - (ii) the payment of a lease premium detailed in the part 2 report
    - (iii) the dedication of approximately 8 acres of land to facilitate the Environment Agency's flood defence project
    - (iv) dedication of land for a memorial garden for the Shoreham Airshow CrashSuch lease to contain a wider user clause than the existing lease to enable commercial use and development of the land shown coloured blue on the plan at Appendix 1, and permit the underletting of further parts of the airport as shown on the indicative lotting plan at Appendix 1.
  - 3) That the Committee delegates agreement of the detailed lease terms and all other steps necessary to enable the proposals outlined in this report to proceed to the Executive Director Economy Environment & Culture and Assistant Director of Property.
  - 4) That Committee notes that the two previous schemes approved by Policy & Resources Committee on 1 May and 16 October 2014 are no longer proceeding.

**27 ORBIS JOINT COMMITTEE**

- 27.1 The Committee considered a report of the Executive Lead, Strategy, Governance & Law that sought endorsement of the planned governance arrangements for the Orbis Partnership, prior to the arrangements being presented to Full Council for approval.
- 27.2 Councillor Yates asked how far the other partners had progressed with approving the arrangements.
- 27.3 The Executive Lead, Strategy, Governance & Law clarified that Surrey County Council and East Sussex County Council were already members of the Orbis Joint Committee and their respective Cabinet meetings had approved that decision. This element of the process was to approve Brighton & Hove City Council join that partnership.
- 27.4 Councillor Wealls asked how the Chair of the Orbis Joint Committee would be appointed and how the agenda would be set.
- 27.5 The Executive Lead, Strategy, Governance & Law stated that the partnership was one of equals and the Terms of Reference set out that the Chair for each meeting would be a Member of the Council from where the meeting was being held with venues rotating between ESCC, SCC and BHCC. The Executive Director, Finance & Resource clarified that the agenda was underpinned by proposals from the three members of the Orbis Joint Management Board. A proposed agenda was sent to the Members of the Orbis Committee and feedback taken into account. In doing so, the founding principles of equal partnership are observed..
- 27.6 Councillor Mac Cafferty noted that the membership principles for the Orbis Joint Committee were similar to that of the Greater Brighton Economic Board whereby the council was represented by Members from the administration and official opposition group. Councillor Mac Cafferty noted that the Greater Brighton Economic Board had a call-in provision and asked if there was some oversight in the Terms of Reference for the Orbis Joint Committee as it did not detail the same.
- 27.7 The Executive Lead, Strategy, Governance & Law stated that whilst the Terms of Reference did not explicitly refer to a call-in function, paragraph 3.1 set out that the Orbis Joint Committee had a role of oversight and performance management and any key decisions would have to be considered by each authority separately. In the unlikely event that was necessary, any key decisions would be reported to the Policy, Resources & Growth Committee. The Executive Director, Finance & Resource supplemented that the next major decision to be taken by the Orbis Joint Committee would concern consideration and potential approval of the three year business plan and that would be reported to this committee for decision.
- 27.8 **RESOLVED-** That the Policy, Resources & Growth Committee recommends to Full Council on 20<sup>th</sup> July 2017 the establishment of the Orbis Joint Committee with effect from 1<sup>st</sup> April 2017, details of which are set out in Appendix 1 of this report.

**28 ITEMS REFERRED FOR COUNCIL**

- 28.1 No items were referred to Full Council for information.

**PART TWO SUMMARY****29 NEW HOMES FOR NEIGHBOURHOODS – SCHEME AND APPROPRIATION APPROVAL - LYNCHET CLOSE- EXEMPT CATEGORY 3**

29.1 **RESOLVED** – That the Committee note the information contained in the Part Two appendix.

**30 COURT FARM SURRENDER - EXEMPT CATEGORY 3**

30.1 **RESOLVED** – That the Committee note the information contained in the Part Two appendix.

**31 BARTHOLOMEW SQUARE, MOSHIMO LEASE ALTERATION AND SKYLIGHT DEVELOPMENT PROPOSAL- EXEMPT CATEGORY 3**

31.1 **RESOLVED** – That the Committee note the information contained in the Part Two appendix.

**32 GRANT OF NEW LEASES AT SHOREHAM AIRPORT - EXEMPT CATEGORY 3**

32.1 That the Committee agree the recommendations contained in the Part Two appendix to item 26 on the main agenda.

**33 SUPPORTED BUS NETWORK - CONTRACTS 2017-21- EXEMPT CATEGORY 3**

33.1 That the Committee agree the recommendations contained in the Part Two report.

**34 PART TWO MINUTES**

34.1 **RESOLVED-** That the Part Two minutes of the previous meeting held on 4 May 2017 be approved and signed as the correct record.

**35 POLICY, RESOURCES & GROWTH URGENCY SUB-COMMITTEE- EXEMPT CATEGORY 3**

35.1 **RESOLVED** – That the decision of the Policy, Resources & Growth Urgency Sub-Committee held on 30 June 2017 be noted.

**36 PART TWO PROCEEDINGS**

36.1 **RESOLVED-** – That the information contained in Part Two remain exempt from disclosure to the press and public.

The meeting concluded at 7.40pm

Signed

Chair

Dated this

day of

2017

