

**BRIGHTON & HOVE CITY COUNCIL
POLICY & RESOURCES COMMITTEE**

10.00am 16 DECEMBER 2014

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors J Kitcat (Chair), Sykes (Deputy Chair), Morgan (Group Spokesperson), Brown, Bowden, Hamilton, Hyde, Lepper, A Norman and Randall

PART ONE

102 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

102.1 Councillor Brown was present in substitution for Councillor G. Theobald; Councillor Hyde was present in substitution for Councillor Peltzer Dunn and Councillor Bowden was present in substitution for Councillor Shanks.

(b) Declarations of Interest

102.2 Councillors Morgan and A. Norman declared non-pecuniary interests in respect of Item 107 – Proposed Hotel Development on Site Adjacent to the Community Stadium as they were both season ticket holders at Brighton & Hove Albion Football Club.

(c) Exclusion of Press and Public

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

102.4 **RESOLVED:** That the press and public be excluded from the meeting during consideration of the items contained in Part Two of the agenda.

103 CHAIR'S COMMUNICATIONS

103.1 The Chair gave the following communications:

“Today’s meeting will be web cast live and will be capable of repeated viewing. Welcome to this Special meeting of the Policy & Resources Committee.”

104 PUBLIC INVOLVEMENT

104.4 There were no petitions, written questions or deputations.

105 MEMBER INVOLVEMENT

105.1 There were no Member petitions, written questions, letters or notices of motion.

106 BRIGHTON WATERFRONT

106.1 The Committee considered a joint report of the Executive Director of Finance & Resources and the Executive Director for Environment, Development & Housing in relation to Brighton Waterfront. The report sought agreement for Officers to continue negotiations and feasibility work in partnership with Standard Life Investments and Venue Ventures to allow for a future integrated redevelopment of the Council owned Brighton Central site and the Kings West site. At the same time the Council owned Black Rock site would be progressed with Standard Life Investments and Venue Ventures in order to development a major new multipurpose venue at Black Rock. The Committee also received a presentation on the proposals both from Officers and representatives from Standard Life Investments (appended to the minutes).

106.2 Councillor Bowden thanked both Officers and partners for all the work undertaken up to this point; he noted that all parties were working together to find solutions, but this was not a project without dangers. The communication in relation to the project needed to be dealt with very carefully, but it seemed like the optimum moment to take the project forward. He stressed that whilst the report before the Committee was an important stage this was by no means the end of the process, but it was important that a consensus on the way forward be agreed. There were significant opportunities on the transport side of this to link both the Black Rock and the King Alfred sites.

106.3 Councillor Morgan thanked all the Officers and partners that had been involved up to this point and stated that he knew the amount of work that had already been undertaken as a member of the project board. The project provided the opportunity to secure both the tourist and shopping future of the city for decades. The project would not be without challenges, but could be instrumental in creating new revenue streams for the city. He supported the report as the first major step in this process.

106.4 Councillor Brown stated that the project was very exciting and she was pleased to be a member of the board. The extension to Churchill Square shopping centre was long needed, and it was acknowledged that the Brighton Centre required significant investment, and the King's West building adjacent did not make a positive contribution to the seafront. The Black Rock site had been derelict for many years and these proposals would benefit both the city and the wider region. It would be important to ensure that the infrastructure was right, but it was also acknowledged that there had been early consideration of the need for school places. Councillor Brown also added that she sat on the Seafront Scrutiny Panel, and that this would help to bring in the investment which was needed on the seafront. It would also be important to ensure that the buildings were of a high standard and fit for purpose.

106.5 Councillor A. Norman noted there was general consensus that the Brighton Centre needed updating, and any new venue would need to have the flexibility to attract both concerts and conferences. The proposed site at Black Rock was appropriate, and the improvements would also be a stimulus for improvement to the Kind Alfred site in

Hove. She went on to add that Park & Ride facilities would need to be a priority for any new administration after the Local Elections in May 2015. The work showed the necessity to be imaginative and ambitious, and would need cross-party support going forward.

- 106.6 Councillor Randall echoed comments made in the Officer presentation that there would be risks associated with not taking the project forward; he noted that the Brighton Centre had been overtaken in recent years by better conference venues, and the city needed to reinvent itself in this area. Councillor Randall made mention of the social housing elements of any scheme, and highlighted that the transport aspects of the scheme would provide an opportunity to address some of the city centre congestion, and be a means to reduce pollution.
- 106.7 Councillor Sykes stated that this was an exciting opportunity, but wished his concerns with the transport elements to be noted. This could also be an opportunity for a citywide bike hire scheme similar to London, and that the business continuity plans would be vital to retain bookings at the Brighton Centre.
- 106.8 Councillor Hyde noted that she agreed with the comments of others in the debate; noting that she served as a Member of the Planning Committee and that it would be very important to ensure the design of the buildings was appropriate. She appealed to the developers to consider good design very carefully.
- 106.9 Councillor Lepper stated that she found the project very exciting, and noted that the original decision to build the Brighton Centre had been a brave one, and future generations needed to take similar bold decisions for the future of the city. Councillor Lepper added that the city needed improved conference facilities, and the Black Rock site was suitable as it had been abandoned for many years. The Marina could be difficult to get to without a car, but this project could help to regenerate some of the businesses there. In terms of timescales Officers responded that it was envisaged the scheme would be in a position to submit planning applications in late 2015.
- 106.10 In response to some of the points made in the debate the Executive Director for Environment, Development & Housing stated that the project would create the opportunity to invest in the seafront, and provide greater leverage for Central Government grants. The developers were very conscious of design and of the seafront design in general.
- 106.11 Councillor Hamilton stated that the Brighton Centre had been very fit for purpose when it had been originally built, but had been overtaken by more modern venues in recent years. He welcomed the potentially to attract global performers with a much larger capacity venue.
- 106.12 Councillor Bowden stated that nationally conference centres were not as profitable as concert venues; though it was acknowledged that conference centres could increase the profile of a city.
- 106.13 The Committee noted that information contained in Part Two listed at agenda item 109A.

106.14 The Chair then put the recommendations to the vote.

106.15 **RESOLVED:** That the Committee:

- 1) Agree the draft Heads of Terms as summarised in Appendix 1 as the way forward for ongoing negotiations with Standard Life on the basis that final Heads of Terms will be submitted to this Committee for approval in due course.
- 2) Note the key financial information as contained in paragraphs 7.1 to 7.11.
- 3) Agree that:
 - a) The current conference subvention budget is retained by the council to support conferences held within the city during any closure period and to attract conferences to the new venue once it is opened.
 - b) The income generated from the sale of the current Brighton Centre site, the rent from the venue operator, the net savings achieved on the current Brighton Centre budgets and up to 25% of the forecast future income stream identified in Table 1 in paragraph 7.3 of the financial implications are earmarked to fund potential council investment in the new venue.
 - c) The Brighton Centre Redevelopment Reserve can be used to fund project development costs incurred by the council on the central and Black Rock sites as set out in paragraph 7.11.
- 4) Note the overall procurement approach and various roles in relation to both sites as per paragraph 7.12.
- 5) Note the staffing situation and that all staff potentially affected will be kept fully informed on an ongoing basis and in particular after project timescales and any TUPE implications are confirmed.
- 6) Agree that a third party operator would run the new venue on terms to be agreed by a future meeting of this committee
- 7) Welcomes and notes the progress made on essential, preliminary work to develop an emerging Transport Strategy for the project proposals, and requests that the Executive Director of Environment, Development & Housing, continues to identify and review all potential transport and highway opportunities presented by the project, in conjunction with the project partners and the Project Board, and reports back to this Committee when required.

107 PROPOSED HOTEL DEVELOPMENT ON SITE ADJACENT TO THE COMMUNITY STADIUM

107.1 The Committee considered a joint report of the Executive Director for Environment, Development & Housing and the Executive Director for Finance & Resources in relation to the Proposed Hotel Development on Site Adjacent to the Community Stadium. The report covered two areas of business outstanding between The Community Stadium Limited and the Council: payment for Highways works undertaken at the time of the construction of the stadium and a proposal submitted to the Council

from The Community Stadium Limited to build a hotel on land adjacent to the Community Stadium.

- 107.2 Councillor A. Norman thanked the Chief Executive for the work that she had personally undertaken to reach this stage in the project and the negotiations.
- 107.3 Before the Committee formally voted on the recommendations consideration was given in the information listed in Part Two under agenda item 109; this information was noted.
- 107.4 The Chair then put the recommendations to the vote.
- 107.5 **RESOLVED:** That the Committee authorise the Executive Director Environment Development & Housing, Executive Director Finance & Resources and Head of Legal Services to complete a leasehold agreement with TCSL for a hotel development on land adjacent to the Community Stadium and agree delegated powers be given to the Executive Director Environment Development & Housing, Executive Director Finance & Resources and Head of Legal Services to enter into this leasehold agreement with TCSL subject to Policy & Resources Committee agreeing the Heads of Terms summarised in section 7 below and fully set out in part 2 of this report.

107A PELHAM STREET

- 107A.1 The Committee considered a joint report of the Executive Director for Finance & Resources; the Executive Director for Environment, Development & Housing and the Head of Law & Monitoring Officer in relation to Pelham Street. The report sought to assist in the major regeneration of City College's buildings at the Pelham Street campus by ensuring that the development could progress notwithstanding any third party rights affecting the property which could otherwise impede or prevent implementation of planning permission.
- 107A.2 Councillor Randal noted that he had voted against the scheme at the Planning Committee, and he did not support this in principle.
- 107A.3 Councillor Hamilton also noted that he had not supported the scheme at the Planning Committee, but stated that he bow wished do what was necessary to facilitate it.
- 107A.4 The Committee noted that information contained in Part Two listed at agenda item 109B.
- 107A.5 The Chair then put the recommendation to the vote.
- 107A.6 **RESOLVED:** That the Committee
- 1) Agree to the council entering into an agreement with City College Brighton and Hove ("City College") on the terms set out in Appendix 2 for the grant of a lease of the land comprised in City College's campus (subject to such amendments to those terms as the Head of Law and Head of Property Services agree with City College to give effect to these proposals) so that if the lease referred to is granted the council will hold such land for planning purposes ("the transaction") to

facilitate the redevelopment of such land in accordance with planning permission reference BH2013/01600 in order to improve the economic social and environmental wellbeing of the area;

- 2) Note that the lease will only be entered into if City College are unable to reach satisfactory terms with adjoining owners regarding release of rights to light or other easement affecting the land based on statutory levels of compensation;
- 3) Note that in the event of the lease being granted any third party rights will be overridden by S237 of the Town and Country Planning Act 1990 and that compensation will be payable by City College or its developers; and
- 4) Authorise the Head of Law in consultation with the Head of Property Services to complete the necessary agreements, the lease and all other documentation necessary to complete the transaction and facilitate the implementation of the planning permission BH2013/01600 on the basis that any compensation payable and all other costs associated with the transaction will be borne by City College or its developers.

108 ITEMS REFERRED FOR COUNCIL

108.1 There were none.

109 PROPOSED HOTEL DEVELOPMENT ON SITE ADJACENT TO THE COMMUNITY STADIUM (EXEMPT 3 & 5)

109.1 **RESOLVED:** That the Committee agree the recommendation set in the Part Two appendix.

109A BRIGHTON WATERFRONT - EXEMPT CATEGORY 3

109A.1 The Committee noted the information contained in the Part Two appendix.

109B PELHAM STREET - EXEMPT CATEGORY 3

109B.1 The Committee noted the information contained in the Part Two appendix.

110 PART TWO PROCEEDINGS

110.1 **RESOLVED:** That the information listed in Part 2 of the agenda and decision thereon remain exempt from disclosure to the press and public.

The meeting concluded at 11.09am

Signed

Chair

Dated this

day of