

BRIGHTON & HOVE CITY COUNCIL
POLICY & RESOURCES COMMITTEE

4.00pm 13 JUNE 2013

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair); Councillors Littman (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Hamilton, A Norman, Peltzer Dunn, Randall, Shanks and West.

PART ONE

1. PROCEDURAL BUSINESS

(a) Declarations of Substitutes

1.1 There were no declarations of substitutes.

(b) Declarations of Interest

1.2 Councillor Randall declared a personal and non-prejudicial interest in Item No. 7 Targeted Budget Management (TBM) Provisional Outturn 2012/13; in as much as it related to the HRA budget as he was a Board Members of Seaside Homes Ltd.

(c) Exclusion of the Press and Public

1.3 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.

1.4 **RESOLVED:** That the press and public be not excluded from the meeting.

2. MINUTES

2.1 **RESOLVED:** That the minutes of the last meeting held on the 2nd May 2013 be approved as a correct record of the proceedings and signed by the Chair.

3. CHAIR'S COMMUNICATIONS

3.1 The Chair reminded Members that they were in Purdah due to the imminent by-election in Hanover and Elm Grove Ward.

- 3.2 The Chair stated that he recognised and appreciated the concerns and anxieties of all parties in relation to the current refuse situation. He remained committed to and anticipated a negotiated settlement to the pay and allowances dispute.
- 3.3 The Chair informed the meeting that on Sunday 9th June, he along with other Members and officers attended a service at the Chattri Memorial to remember the lives of Indian servicemen who contributed to the British war effort in World War One. This was a touching and well attended event that recognised the sacrifices made by others for our freedoms.
- 3.4 The Chair stated that last week the council was delighted to host a visiting delegation of Korean politicians, who had specifically asked to learn about Green Governance. They were extremely interested in our experience and took with them a number of lessons about open democracy and green policy.
- 3.5 The Chair stated that he wished to add his congratulations to those of others praising a record breaking Brighton Festival and Fringe. This year saw a big increase in participation and visitors, given the current economic climate this really underpins the argument for investment in the Arts and demonstrates the value of the creative industry. Congratulations and thanks to Julian Caddy, Andrew Combden and their teams for their fantastic work and success.
- 3.6 The Chair stated that the last week had been very busy as he attended the Brighton & Hove Business Awards, the launch of our sustainable events programme and gave a presentation at the Smart Cities conference in London:
- The business awards recognised the creativity and success of our entrepreneurs and he was pleased to be invited, along with the Chief Executive to present. Brighton & Hove remained one of the most economically resilient cities in the country and this was thanks in part to the innovation and flexibility of our business community and our positive relations with them.
 - The launch of our sustainable events programme at the Brighton Centre demonstrated the strength and growth of the sustainable events industry and why Brighton & Hove is perfectly placed to provide event organisers with a great location that doesn't cost the earth. Using the international sustainable events standard developed for the London Olympics the Brighton Centre team have developed a Sustainable Events Programme to make it easy to run a truly sustainable event in the city.
 - Finally, last Tuesday the Smart Cities conference in London gave me the opportunity to promote and discuss our take on the sustainable and smart development of Brighton Hove; highlighting our Biosphere bid, the Greater Brighton City Deal and our ambition to be a One Planet Mart City. We had a lot of positive feedback on those proposals and emerging strategies and I anticipate a good outcome for our plans.

4. CALL OVER

- 4.1 The Chair proposed that no call over be taken in view of the lightness of the agenda and this was agreed.

5. PUBLIC INVOLVEMENT**(a) Petitions**

- 5.1 The Chair noted that there were no petitions to be presented by members of the public.

(b) Written Questions

- 5.2 The Chair noted that there were no written questions from members of the public.

(c) Deputations

- 5.3 The Chair noted that no deputations had been submitted by members of the public for the current meeting.

6. MEMBER INVOLVEMENT**(a) Petitions**

- 6.1 The Chair noted that there were no petitions to be presented by Members.

(b) Notice of Motion

- 6.2 The Chair noted that a notice of motion concerning the 'blacklisting of construction workers' had been approved at the last council meeting held on the 9th May and referred to the committee for consideration. He stated that it was an important issue and one that could have a number of implications for the council and therefore wished to propose that a report be brought back to a future committee meeting outlining the options available to the council.
- 6.3 Councillor G. Theobald stated that he did question whether the imposition of such a list would fall foul of EU legislation and therefore queried whether a report was necessary.
- 6.4 Councillor Morgan stated that he was aware of a number of other authorities that had taken a similar stance and set a policy and therefore felt that a report was worthwhile.
- 6.5 The Monitoring Officer informed the committee that there had been recent changes to legislation with the Public Social Values Act 2012, which enabled social, environmental and economic considerations to be taken into account when setting such policies and therefore suggested that a report could be helpful to the committee.
- 6.6 **RESOLVED:** That the notice of motion be noted and that officers be requested to bring a report on the potential blacklisting of construction workers to a future meeting of the committee.

7. TARGETED BUDGET MANAGEMENT (TBM) PROVISIONAL OUTTURN 2012/13

- 7.1 The Executive Director for Finance & Resources introduced the report which set out the provisional outturn position (Month 12) of the Revenue and Capital Budgets for the financial year 2012/13. She noted that the final outturn position was subject to the annual external audit review but stated that in general it was a good position with the General Fund having an underspend of £4.6m, which had already been committed. She stated that there had been a strong performance in regard to the management of the corporate critical budgets and the value for money programme which had enabled the underspend to be achieved. There had been a small surplus in regard to the Collection Fund and this had been helped with a less reduction in income from student exemptions, although it was likely to change in the future. She also drew attention to the capital receipts and the materialisation of some projects that had been awaited.
- 7.2 Councillor Littman welcomed the report and stated that it reflected the on-going improvements in financial management across the council.
- 7.3 Councillor Morgan stated that the overall underspend of £4.6m was welcome in one respect but did raise questions in regard to why more had not been done to address the social, environmental and economic factors faced by residents within the city. In relation to the underspend on the HRA budget he questioned whether more could have been done to deal with issues such as the 'bedroom tax', lifts improvements and general repairs. He noted that the income from parking was down and that having used a couple of council car parks recently it would have been possible not to have to pay. He also asked when the improvements to the Horsdean Traveller site were likely to be undertaken and suggested that the Development Control Budget needed to be monitored closely given the overspend.
- 7.4 Councillor A. Norman stated that she believed it was difficult for residents to understand why there was such a high level of underspend and why it had not been used to off-set the increase in council tax. She asked for further clarification in regard to high level of carry forward for the capital programme and queried the level of projected income from parking for 2013/14 given the shortfall that had resulted for the last year. She noted the good work of the value for money programme and the reduction in costs for the external audit.
- 7.5 Councillor Randall stated that the HRA underspend had resulted partly from people not moving as much and therefore a lower spend on redecorating and making ready for use had resulted, however funding had been used for improvements e.g. to lifts and door entry systems. He also noted that there had been fewer empty properties in the housing stock and that the transfer of properties to Seaside Homes had seen nearly 250 of the 449 identified completed. He also wished to congratulate his predecessor, Councillor Wakefield and the officers involved for their work in relation to housing over the last two years.
- 7.6 The Chair stated that funding had been set aside to help support discretionary funds and account for cuts that were being imposed by central government. The parking income was not down but had not achieved the level that had been anticipated and that was partly down to factors such as the inclement weather and the impact of the Olympics.

- 7.7 The Executive Director for Finance & Resources noted that there had been a need to account for the impact on Business Rates as a result of changes imposed by the government and that re-profiling of the capital programme had been required and that some large projects had only come to fruition after the year end e.g. the £2m for the purchase of Hove Police Station; which meant that the carry forward was higher than usual.
- 7.8 Councillor Hamilton noted that there was a £1m underspend for the Dedicated Schools Grant and whilst it was ring-fenced, he suggested that there was a need to look at the process for the allocation of school places and the impact on existing schools that resulted. He welcomed the value for money programme but questioned why the Home to School Transport which had an underspend and the School Bus provision budgets could not be looked at together and reconciled so that the cuts in bus services seen last year could be addressed and services maintained. He also noted that the communications budget had overspent and hoped that it would be kept under review for the next year. However, overall he wished to thank the finance officers and budget holders for their excellent work and management of the council's finances.
- 7.9 Councillor Shanks stated that she was working with officers to look at the Home to School Transport and school transport budgets to see if there was a possibility of utilising them more effectively and thereby improving services. She hoped to be able to bring a report to committee in the near future. She also welcomed the reduction in costs to the Children's Services budget and improvements that had been made such as in the foster carers' service.
- 7.10 The Executive Director for Finance & Resources stated that there had been a shortfall in expected income for the Development Control team and that it would be monitored and reviewed regularly for 2013/14 as it was something that could have been picked up at an earlier stage last year. She also noted that the changes in welfare support were likely to have an impact on the Homelessness budget and others and therefore consideration was being given to how these pressures could be supported and corporate critical budgets such as the Temporary Accommodation budget would be reviewed monthly.
- 7.11 Councillor G. Theobald queried why it was taking so long to re-open the Horsdean Traveller site and expressed concern over the failings of the Communications budget management. He also asked for further clarification in regard to the Surplus Water Action budget and whether there was any grant funding for the Volks Railway.
- 7.12 The Assistant Chief Executive stated that a revised bid in relation to the Volks Railway had been resubmitted and officers were in discussion with the group of volunteers on how opening hours could be extended and repairs works could be undertaken if the sheds were unavailable. In regard to the Communications budget she was meeting with the officers and they were working hard to manage the situation.
- 7.13 The Executive Director for Finance & Resources stated that the Communications budget had been realigned following the recognition that unachievable income targets had been set previously and noted that officers were working with neighbouring authorities in

regard to the Surplus Water Management Action Plan, as the notice of available funding had only been received in March.

- 7.14 Councillor West stated that there had been a delay in the re-opening of the Horsdean site as there had been some problems with contractors and security and repair costs, however he was hopeful that it would be open next month.
- 7.15 Councillor Peltzer Dunn referred to the overspend in the Communications Budget and stated that he hoped every effort would be made to maximise revenue income e.g. from sponsorship and queried whether any offers had been received.
- 7.16 The Assistant Chief Executive stated that she was keen to work with the officers to look at potential income generation but wanted to concentrate on ensuring that the core business of the team was supported and effective.
- 7.17 The Executive Director for Finance & Resources stated that in recent years the challenge had been to achieve the ambitious income targets that had been set and it had been important to seek to balance these against realistic levels for the future and noted that the committee had previously agreed to a revised budget.
- 7.18 The Chair noted the comments and thanked the all the officers involved in managing the budget process over the year. He then put the recommendations to the vote.
- 7.19 **RESOLVED:**
- (1) That the provisional outturn position for the General Fund, which was an underspend of £4.610m (compared to £4.513m assumed at budget setting time, be noted. This includes £4.201m for the council controlled budgets and £0.409m on the NHS managed S75 budgets.
 - (2) That the provisional outturn for the Housing Revenue Account (HRA), which is an underspend of £1.963m be noted;
 - (3) That the provisional outturn for the Dedicated Schools Grant (DSG) which was an underspend of £1.089m be noted;
 - (4) That the carry forward requests totalling £4.806m as detailed in Appendix 2 the report be approved;
 - (5) That the provisional outturn position on the Capital Programme be noted; and
 - (6) That the following changes to the Capital Programme be approved:
 - (i) **The budget re-profiling and budget variations as set out in Appendix 4 to the report;**
 - (ii) The carry forward of slippage into the 2013/14 Capital Programme to meet on-going commitments on these schemes as set out in Appendix 4 to the report; and

- (iii) New schemes as set out in Appendix 5 to the report.

8. EMPLOYABILITY FOR YOUNG PEOPLE IN CARE AND CARE LEAVERS - UPDATE

- 8.1 The Chief Executive introduced the report which provided an update on the progress made with regard to work placements and apprenticeships within the council and its partners for young people in care and leaving care. She noted that the council had a nationally benchmarked assessment and support process to enhance young people in care and leaving care to have a successful transition into employment and training. The intention was to guarantee 5 ring-fenced apprenticeships within the council and interviews for all apprenticeships if the young people met the necessary criteria. She also noted that the revised Corporate Parenting Board was to be chaired by the Leader of the Council and she would also attend its meetings, as a mark of recognition for the council's corporate responsibility to looked after children.
- 8.2 Councillor A. Norman welcomed the report and the commitment to looked after children and stated that she supported the ring fencing of a number of apprenticeships for young people within the council. She also hoped that the council could work with partner organisations to encourage them to run similar schemes.
- 8.3 Councillor Shanks stated that she would take the suggestion on board and discuss it with officers. She welcomed the report and saw it as a first step for the council to take forward and hoped that it would prove to be successful.
- 8.4 Councillor Randall stated that it was a good start and noted that other organisations already offered help and assistance to young people and also noted that the number of children in care had gone down by 10%. However he believed that the council did need to provide opportunities to young people and fully supported the proposal.
- 8.5 Councillor Peltzer Dunn queried how the 5 apprenticeships would be determined and whether this was the maximum number that would be offered.
- 8.6 The Chief Executive stated that it was a minimum number that would be identified within the authority and noted that not all young people would be seeking an apprenticeship. The aim was to be able to offer at least 5 apprenticeships but also to ensure that any young person meeting the criteria for a post would be guaranteed an interview.
- 8.7 Councillor Morgan welcomed the report and stated that he was pleased to see cross-party support for looked after children.
- 8.8 The Chair noted the comments and put the recommendations to the vote.
- 8.9 **RESOLVED:**
- (1) That 5 ring-fenced apprenticeships for young people in care and young people leaving care within the Brighton & Hove Apprenticeship Scheme be agreed;
 - (2) That guaranteed interviews for all apprenticeships within the Brighton & Hove Apprenticeship Scheme if the young people meet the necessary criteria be agreed; and

- (3) That the assessment and support package for young people in care and leaving care to support entry into employment and training be noted.

9. RATIONALISATION AND PROCUREMENT OF THE MECHANICAL AND ELECTRICAL TERM CONTRACTS

- 9.1 The Executive Director for Finance & Resources introduced the report which detailed the proposed rationalisation and procurement of the mechanical and electrical term maintenance contracts for the council. She stated that the proposed rationalisation was a reflection of the new corporate landlord approach which centralised the property portfolio and enabled greater efficiency with the amalgamation of various contracts. She noted that there was a potential for fewer suppliers to be able to bid for the rationalised contracts, however it was intended to look to stimulate the local interest and the local supply chain.
- 9.2 Councillor Littman welcomed the report and noted that it was proposed to reduce the number of contracts down from 21 to 4 in regard to mechanical and electrical term contracts.
- 9.3 Councillor Morgan stated that whilst rationalisation was a welcome step, there was always the question of the loss of expertise in regard to a specific area if a local contractor was then unsuccessful in bidding for the new contract.
- 9.4 Councillor A. Norman welcomed the report and queried whether consideration had been given to letting contracts with other organisations or through the SE7 Group.
- 9.5 Councillor Peltzer Dunn referred to paragraph 6.1 and queried when an extension to a contract may be exercised if it was felt to be necessary.
- 9.6 The Executive Director for Finance & Resources stated that the procurement of the contracts with other organisations or via the SE7 Group had been considered but it was felt that on this occasion it would prove cost effective to procure them as detailed in the report. In regard to the award of an extension to a contract, depending on whether there was a need for it to go through the OJEU process it would begin with around 12months left of the original contract or if it fell under a framework agreement then it would be slightly later.
- 9.7 The Chair stated that it was important to stimulate the local economy and also to seek to secure cost effective provision of the contracts. He believed that the proposed rationalisation would result in improvements and put the recommendations to the vote.
- 9.8 **RESOLVED:** That the Executive Director for Finance & Resources be granted delegated authority to:
- (i) Rationalise, procure in accordance with OJEU procedures and award the mechanical and electrical term maintenance contracts for a term of 4 years; and
 - (ii) Grant a two year extension to any or all of the contracts referred to in (1) above subject to satisfactory performance of the contract(s) in question.

10. ITEMS REFERRED FOR COUNCIL

10.1 No items were referred to the next council meeting for information.

The meeting concluded at 5.25pm

Signed

Chair

Dated this

day of

2013