

BRIGHTON & HOVE CITY COUNCIL
POLICY & RESOURCES COMMITTEE

4.00pm 16 OCTOBER 2014

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor J Kitcat (Chair) Councillors Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Bowden, Hamilton, Lepper, A Norman, Peltzer Dunn and Shanks

PART ONE

50 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

50.1 Councillor Bowden was present in substitution for Councillor Randall

(b) Declarations of Interest

50.2 Councillor A. Norman declared a non-pecuniary interest in respect of Item 61: Targeted Budget Management (TBM) 2014/15 (Month 5) as she had opposed the planning application for the all-weather sports pitch at Dorothy Stringer School.

(c) Exclusion of Press and Public

50.3 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.

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

51 MINUTES

51.1 The minutes of the meeting held on 11 July 2014 were approved as a correct record of the proceedings and signed by the Chair.

52 CHAIR'S COMMUNICATIONS

52.1 The Chair gave the following Communications:

“Today’s meeting will be web cast live and will be capable of repeated viewing.

Following the Call Over it is my intention to change the ordering of the agenda as there are public items which relate to matters on the agenda.

I propose that following the public question at Item 54 (b) we then take Item 63 Drug & Alcohol Recovery System Procurement Outcome together with the associated petition (item 54 a) and then Item 64 Integrated Community Equipment Service together with the associated deputation (item 54 c). We will then take the remaining items that have been called in the order listed on the agenda.

Congratulations to the team at the Royal Pavilion and Museums on winning £240,000 from the Heritage Lottery Fund to expand their World Art archive. The work they do continues to provide the people of Brighton and Hove and its visitors with an extremely valuable cultural destination.

Our legal team at the council has also found itself on the awards rota, claiming the title of Local Authority Family Legal Team of the Year at the Family Law Awards. A marvellous accolade for all their hard work; and Andrew Pack deserves a special mention for winning Family Law Commentator of The Year for his amply informative and engaging blog.

Well done to everyone in the city for making the Tour of Britain such a success. It was really wonderful to see 100,000 people come out to support on the day and it really highlighted how well Brighton and Hove delivers when providing a destination for international events of this type.

Finally, throughout October we will be marking Black History Month with a series of events around the city, including a free family fun day on 9th November at the Corn Exchange which promises music, films, food, children's workshops and of course fun.

It's particularly worth noting so many achievements at a time when the council is having to make some very tough choices. It really highlights the determination, wealth of ability and duty of care to citizens the council holds in its staff and members. As decisions get tougher I hope these strengths help to guide us in working together to make the right decisions for the future of our city. Also, on that note can I please remind and encourage everyone to take part in this year's budget consultation. Our 'Stop, Start, Change' conversation is helping us to think about radical and innovative solutions to the difficult decisions we face. You can take part by going to www.brighton-hove.gov.uk/bhbudget or have your say on Twitter @BrightonHoveCC or use #bhbudget."

53 CALL OVER

53.1 The following items were reserved for discussion:

Item 56	City Plan Part One – Changes Arising from Examination Process
Item 57	Off Plan Procurement – Residential Acquisitions
Item 58	Food Poverty Report
Item 59	Review of Members' Allowances – 2014
Item 60	Amendments to the Scheme of Delegations for Officers
Item 61	Targeted Budget Management (TBM) 2014/15 Month 5
Item 62	Life Events Mid Year Fees and Charges Review

- Item 63 Drug and Alcohol Recovery System Procurement Outcome
- Item 64 Integrated Community Equipment Service
- Item 67 Hangleton Bottom

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

- Item 65 Procurement of a Contract for Gas Servicing, Maintenance and Installations
- Item 66 Insurance Tender
- Item 68 Stanmer Park Heritage Lottery Fund Procurement Approval
- Item 69 Shoreham Airport
- Item 70 92 Cromwell Road – Surrender and Renewal
- Item 72 Shoreham Airport – Exempt Category 3
- Item 73 92 Cromwell Road – Surrender and Renewal – Exempt Category 3
- Item 74 Drug and Alcohol Recovery System Procurement Outcome – Exempt Category 3

54 PUBLIC INVOLVEMENT

54.1 Item 54(a) Petition from Unison concerning Drug & Alcohol Misuse Services was considered with Item 63 and is detailed at minute Item 63. Item 54(c) Deputation from UNISON & GMB concerning the Integrated Community Equipment Store was considered with Item 64 and is detailed at minute Item 64.

54.2 The Chair noted that there was one public question, as listed in the agenda papers, from Ms Valerie Paynter concerning the i360. The Chair invited Ms Paynter to put her question:

54.3 Ms Paynter asked:

“Earlier this year, when private developers Marks Barfield failed to achieve funding to put up their i360 viewing tower on our seafront, Policy & Resources agreed to borrow £36m from the Public Works Loan Board to lend on to them to get it built, but, in hopes too of profiting from the loan differential. Loans from the Public Works Loan Board are secured loans. What security will Brighton & Hove City Council formally use to guarantee repayment of the £36m?”

54.4 The Chair responded:

“Loans to the council from the Public Works Loans Board are not secured loans. However, as senior lender the loan agreement with Brighton i360 gives the council the following security:

- Payments to the council are a first call on all net income generated by the i360.
- Cash generated by the i360 will be set aside in reserves (accessible only by the council) before any dividends are paid as a buffer against potential future shortfalls in income used to make payments to the council.

- If certain financial ratios (e.g. debt cover ratios) set out in the loan agreement fall below specified levels then various joint actions are triggered including working with business colleagues from the LEP on ways to improve the financial performance of the i360.
- The council also has step in rights to appoint a new operator or run the i360 itself under certain circumstances e.g. if payments due to the council are not made in full.
- The council has first call on all the assets of Brighton i360 should the project fail.”
- Brighton i360 can afford to make full payments to the council covering both the repayments to the PWLB and the margin of over £1 million per annum even if visitor numbers are 40% below the forecast level.
- Brighton i360 can afford to make payments to the council to cover all the amounts due to the PWLB even if visitor numbers are 55% below the forecast level.
- The council also receives a range of other financial benefits linked to the i360 including additional business rates, rents and extra income from the Regency Square car park which when taken with the margin could generate a new income stream of over £1.5 million per annum. The council has agreed that this income will be invested back into the seafront.”

54.5 By way of a supplementary question Ms Paynter asked:

“[In relation to the i360] Who owns the land, and does the Council have a mortgage on it?”

54.6 The Chair noted he would respond to Ms Paynter in writing after the meeting, and this response would be included in the minutes as set out below.

“Brighton i360 have taken a lease over the land on which the i360 attraction is being built from the West Pier Trust. To enable this single lease to be granted the Council surrendered its lease of two parcels of land either side of the original Pier structure to the Trust and once the attraction is completed the Trust will grant a new lease to the Council of land to replace that surrendered.

The Council, as Senior Lender, has security over the land and other assets of Brighton i360 Limited in the form of a fixed and floating charge and step in rights if required, which would allow it to take over the i360 and the lease and if need be to sell it on.”

54.7 The Chair noted that no other petitions, public questions or deputations had been received for the meeting.

55 MEMBER INVOLVEMENT

55.1 The Chair noted there were no matters of Member Involvement listed on the agenda.

56 CITY PLAN PART ONE - CHANGES ARISING FROM EXAMINATION PROCESS

56.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to the City Plan Part One – Changes Arising from the Examination Process. The report sought approval to progress the City Plan Part One which was the city’s strategy for land use, development and infrastructure to 2030.

The City Plan was of fundamental importance to the city's future prosperity, and it provided an imperative for delivering much needed affordable homes and for encouraging sustainable development and high quality design. The report sought approval to go out to public consultation on the proposed changes to the Plan; the responses would be sent to the inspector.

- 56.2 Councillor Bowden stated that he supported the recommendations and hoped the Committee would agree the report. He highlighted the risks of proceeding without an agreed plan, and made reference to the potential financial consequences to the Council. If the report were not agreed at this point then it would largely undermine the volume of work that had already been undertaken by Officers.
- 56.3 Councillor G. Theobald stated that he could see little difference in this report to the one that had been withdrawn for the previous meeting of the Committee. He felt that identifying potential sites in the urban fringe for development would give the 'green-light' to developers to come forward with schemes on area of the city. In response the Chair noted that the direction of the report was in line with the wishes of the Inspector; who had requested that this study be undertaken – failure to agree this report would potential put much larger areas of the urban fringe at risk.
- 56.4 Councillor Morgan noted some of the development history of the city, and added that it was a necessity to protect parks and open green spaces whilst providing affordable homes. The Committee were urged to agree the report, and he stated that an adopted plan would allow the Council to better control development in the city. The report would not 'condemn' sites to development, and ensure the power of local determination would not be lost. He stated that the Labour Group wished to be honest and responsible; protect open spaces and allotments and provide new homes for residents.
- 56.5 Councillor Sykes noted that if the plan were not adopted then the main policy of relevance in the determination of Planning Applications would be the National Planning Policy Framework, and the local planning authority could be largely bypassed in the planning process.
- 56.6 The Chair noted the strategic necessity of the plan in terms of the city's position in the Greater Brighton economic group.
- 56.7 Councillor Bowden added that neighbouring authorities would be able to supply some of the city's housing need through greater co-operation.
- 56.8 The Chair then put the recommendation to the vote.
- 56.9 **RESOLVED:** That the Committee:
- 1) Approves the proposed main modifications to the City Plan Part One set out in Appendix 2 that represent a major shift in policy in the City Plan.
 - 2) Notes the remaining proposed modifications set out in the Full Schedule (Appendix 3) and authorise that the Head of Planning and Public Protection may make any necessary minor amendments to the Full Schedule prior to public consultation;

- 3) Approves a six week period of public consultation on the Full Schedule of Proposed Modifications to the Submission City Plan Part One (along with the new / updated supporting documents) commencing 4 November;
- 4) Authorises the Head of Planning and Public Protection to agree any further draft “main modifications” to the City Plan Part One necessary to make it sound and to authorise the publication of such draft modifications for public consultation save that should any draft modification involve a major shift in the policy approach of the City Plan Part One the draft modification shall be referred by the Head of Planning and Public Protection to the Policy & Resources Committee for approval.
- 5) Approves the following studies as supporting evidence for the City Plan and further Development Plan Documents (summarised in Appendix 4):
 - Sustainability Appraisal
 - Appropriate Assessment Update
 - Health and Equalities Impact Assessment Update
 - Transport Assessment Update
 - Exceptions and Sequential Test Update (flood risk)
 - Strategic Housing Land Availability Assessment 2014 update
 - Urban Fringe Assessment Study
 - Assessment of Housing Development Needs Study: Sussex Coast Housing Market Area, May 2014
 - Housing Implementation Strategy
 - Addendum to the Infrastructure Delivery Plan
 - Combined Policy Viability Study Update
 - Duty to Cooperate Statement Update

57 OFF PLAN PROCUREMENT - RESIDENTIAL ACQUISITIONS

- 57.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Improving Housing Supply – Off Plan Procurement – Residential Acquisitions. The report sought approval for delegation authority to the relevant Executive Directors to explore and negotiate options to enable the Council to intervene in the market to deliver new housing to meet the identified housing needs. Detailed proposes on any specific capital schemes relating to the acquisition of residential on major development sites in the city would form separate reports to the Housing and Policy & Resources Committees.
- 57.2 Councillor Bowden noted his support for the report, and hoped this would be a mechanism to achieve more affordable housing. The proposals would give developers options and ease cash flows issues as well as making developments look more viable and creating the new homes the city needed. The Chair noted that the report embodied the role the local authority should be playing.
- 57.3 Councillor Hamilton noted that from his role on the Planning Committee he and other Members were often disappointed with the amount of affordable housing that came forward on large schemes. He stated that any measures to help those on the waiting list for social housing would be very welcome.

57.4 In response to Councillor Peltzer Dunn the Executive Director for Environment, Development & Housing explained that it was the intention of Seaside Community Homes to develop more housing, but the challenge would be around the funding of this. There was approximately £25M in the HRA funding that could be used, but this had to be considered in the context of the cost of housing in the city. Work was being undertaken with the Department for Communities & Local Government to see how this could be supported by Central Government. The Executive Director for Finance & Resources explained that more information could be brought back to a future meeting once some initial consultation had taken place with the market.

57.5 **RESOLVED:**

- 1) That the Executive Director Environment, Development & Housing, in consultation with Executive Director of Finance & Resources, pursue negotiations with potential funding and development partners in order to work up fundable off plan residential acquisitions propositions and that these be brought back to Policy & Resources Committee for consideration;
- 2) That officers continue discussion with Department of Communities & Local Government in making recommendations to HM Treasury for the Autumn Statement arising from discussions on housing supply & homelessness work;
- 3) That officers consider funding options including General Fund prudential borrowing, Housing Revenue Account capital financing and 'off public sector balance sheet' institutional and private investment financing along with appropriate delivery, management and governance frameworks, subject to further reporting back to Housing Committee and Policy & Resources Committee.

58 FOOD POVERTY REPORT

58.1 The Committee considered a report of the Assistant Chief Executive in relation to Food Poverty. The report responded to the Notice of Motion regarding food banks submitted to Council on 8 May 2014 which was then referred to the Committee on 11 July 2014; at that meeting Members requested a full report on the issues, incidence and response to food poverty in the city.

58.2 The Chair noted that a letter had been received from the food partnership, and stated he would be happy to participate in a round table discussion – this could form part of the Joint Strategic Needs Assessment that reported to the Health & Wellbeing Board.

58.3 Councillor Sykes welcomed the report and noted he would like to propose the following amendment:

“That Officers to attend a ‘round table’ meeting facilitated by the Food Partnership to consider food poverty in the city, and the actions from this meeting to feed into the Joint Strategic Needs Assessments undertaken by the Health & Wellbeing Board.”

58.4 Councillor Morgan congratulated Officers and partner organisations for the work undertaken, and stated that the level of food poverty was shocking given the relative wealth of both the city and the region.

- 58.5 The Chair noted that food banks were only one part of a wider system of support.
- 58.6 Councillor A. Norman welcomed the positive work that was being undertaken by the Council, and she hoped the situation would improve in the near future.
- 58.7 The Committee agreed the additional recommendation, and the Chair then put the amended recommendations to the vote.

58.8 RESOLVED:

- 1) That the Committee supports the council's approach to food poverty which focuses on addressing the underlying causes of food poverty through the financial inclusion strategy and the work of the Brighton and Hove Food Partnership.
- 2) That the Committee notes the various forms of research underway that will help us understand more about the causes and impacts of food poverty in the city.
- 3) That Officers to attend a 'round table' meeting facilitated by the Food Partnership to consider food poverty in the city, and the actions from this meeting to feed into the Joint Strategic Needs Assessments undertaken by the Health & Wellbeing Board.

59 REVIEW OF MEMBERS' ALLOWANCES - 2014

- 59.1 The Committee considered a report of the Head of Law & Monitoring Officer in relation to the Review of Members' Allowances 2014. In accordance with the council's recommendations the Independent Remuneration Panel (IRP) had undertaken a comprehensive review of the scheme. The IRP had conducted an online survey of Members and met with each of the Group Leaders, Chairs & Deputy Chairs of Committees, Opposition Spokespersons and other Members in July, and had taken on board the comments received. It was the view of the IRP that the new scheme should come into effect from Annual Council in May 2015. The Chair of the IRP, Mr Childerhouse, was also invited to address the Committee, and stated the IRP had been fully aware of the difficult financial position of the Council. The IRP had looked carefully at the Council's objectives and had tried to attract a wider range of individuals into public service. It was also added that the report was clearly evidence based, and much of the information came from the serving Members themselves.
- 59.2 The Chair thanked Mr Childerhouse for the work of the IRP – especially in relation to the projected reduction in cost of the new scheme. It was noted that this scheme would be for the incoming Council after the 2015 local elections.
- 59.3 Councillor Morgan reiterated thanks and stated that it was appropriate that Members should also take their share of the savings over the next few years. Members often had to give up a great deal to undertake the role, and it was important that they did not suffer financially as a consequence, the pool of Members should not always be drawn from the retired and financially independent. Councillor Morgan noted his support for the report and asked that colleagues did the same.

- 59.4 Councillor Sykes noted his thanks to the work of the IRP, and agreed it was important a wide range of individuals were attracted to public service. On a separate note he highlighted his disappointment at the national withdrawal of the Local Government Pension Scheme for elected councillors.
- 59.5 Councillor A. Norman thanked the IRP for their work; in response to some of the points she raised Mr Childerhouse stated that to attract younger candidates the dependency allowance had been brought more in line with the living wage, and he noted that the IRP had been aware of the much higher than estimated number of hours some Members put into their role each week. Councillor A. Norman noted this response, but added that not all young people would have dependants.
- 59.6 Councillor Peltzer Dunn agreed with others in the debate that all Members should contribute to the wider savings of the Council, but noted this was not explicitly set out in the report. He went on to explain his view that there was a vital role for the main opposition party within the city, and as such he opposed the removal of Special Responsibility Allowances for appointed Opposition Spokespersons – for this reason he would be unable to support the recommendations in the report. In response Mr Childerhouse noted that whilst the proposals were for the next four year administration there would always be the possibility of review by the IRP if any part of the new proposals were found to be causing issues or impacting on Members' ability to effectively undertake their roles.
- 59.7 Councillor Bowden noted that all Members undertook their roles as part of a sense of public duty, and he welcomed the comments of others on the Committee in relation to ensuring the pool of Members was wide and diverse.
- 59.8 Councillor Lepper stated she would support the report, but noted that she would be standing down at the end of this term in office – she also added that on the whole Brighton & Hove remunerated 'quite well' compared to other authorities. She also highlighted that it had been an ongoing source of frustration that she was unable to use her free older-persons bus pass before 9.00 a.m.; whilst younger colleagues on the Council who had annual bus-passes purchased for them, as part of the allowances scheme, could use them before 9.00 a.m.
- 59.9 The then put the recommendation to the vote.
- 59.10 **RESOLVED:**
- 1) That the Panel's report as detailed in appendix A be received and endorsed and the recommendations therein be recommended to the Council for approval;
 - 2) That the Council be recommended to adopt the new Members Allowances Scheme for the payment of allowances in 2015/16 with effect from the Annual Council Meeting in May 2015; subject to the implementation of the Basic Allowance from the 11th May 2015 as detailed in the IRP's report and the Scheme in appendix B;
 - 3) That the Chief Executive be authorised to issue the Brighton & Hove Members' Allowances Scheme in accordance with the regulations following council approval;

- 4) That where there are any changes to any role listed as attracting a Special Responsibility Allowance under the scheme, and the revised role is substantially the same as the previous role in terms of the nature or level of responsibility; the Special Responsibility Allowance shall continue to apply to the new role. This is subject to the Independent Remuneration Panel being consulted and agreeing that it is substantially the same role;
- 5) That the allowance payable to each of the members of the Independent Remuneration Panel be increased by 1% inline with the Public Sector pay award with effect from 21st May 2015, in recognition of the time commitment and the role of the Panel.

60 AMENDMENTS TO SCHEME OF DELEGATIONS FOR OFFICERS

- 60.1 The Committee considered a report of the Head of Law & Monitoring Officer in relation to Amendments to the Scheme of Delegations to Officers. The report sought authority to amend the scheme of delegations to Officers to ensure better co-ordinated, efficient delivery of services resulting in better outcomes.
- 60.2 In response to Councillor G. Theobald the Monitoring Officer explained that resident requests for buildings to become assets of community value were currently dealt with at Officer level as the nature of the hearings tended to be technical – the report simple sought to amend the delegation to a different directorate. Officers agreed that a mechanism would be setup by which Ward Councillors would be informed of any such requests within their Ward, but it was noted that the Council had currently dealt with one of these to date.
- 60.3 Councillor G. Theobald asked further questions and it was clarified that the report sought to amend the delegation for housing related support, but this made no decision or comment about the level of funding or budget. Any change to this could ultimately form part of the formal budget process in 2015.
- 60.4 In response to Councillor Morgan it was explained the rationale behind merging some of the housing and social care functions was to move the accountability to the best place for overseeing safeguarding. Assurance was provided that there were no assumptions being made about staff performance; where there were ongoing grievances these were being dealt with properly. It was considered that this move was positive and reflected the integration of services. The Executive Director for Adult Services provided assurance that homelessness was a prevention priority and part of the Better Care Fund.
- 60.5 The Chief Executive provided further assurance that the organisation was dedicated to addressing issues around housing and homelessness, and the city was one of the few authorities where the Better Care Fund was looking at vulnerable adults as well as the elderly. It was noted that the report was technical in nature, and simply related to Officer delegations.
- 60.6 The Chair then put the recommendation to the vote:
- 60.7 **RESOLVED:**

- 1) That Members agree the changes to the scheme of delegations to Officers as set out in paragraphs 3.3 to 3.9.2 inclusive below;
- 2) That Members authorise the Chief Executive to take any steps necessary or incidental to the implementation of the proposals, including, where necessary, making transitional arrangements.
- 3) That the Head of Law and Monitoring Officer be authorised to make any necessary or consequential changes to the constitution to reflect the above.
- 4) That, subject to any transitional arrangements that the Chief executive considers appropriate, the proposed arrangements come into force with immediate effect except those relating to sport development, which shall come into force on 1st April 2015 subject to the Chief Executive being satisfied having regard to the outcome of the consultation with staff.

61 TARGETED BUDGET MANAGEMENT (TBM) 2014/15 MONTH 5

- 61.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Targeted Budget Management (TBM) 2014/15 (Month 5). TBM was a key component of the Council's overall performance monitoring and control framework; the report set out the forecast outturn position (Month 5) on the Council's revenue and capital budget for the financial year 2013/14. Month 5 showed only a small improvement to the position overall (from Month 2) as the organisation approached the mid-point of the year; there continued to be significant pressures and forecast risks to manage across the General Fund Revenue Budget.
- 61.2 Councillor Sykes thanked Officers for the report, and noted his concern in relation to the budget position as the budget preparation for 2015/16 was beginning. Year on year demand for services in the city was increasing, and there were ongoing problems in City Clean in relation to the cost of industrial action.
- 61.3 Councillor A. Norman thanked Officers for the report; she stated that the position within Adult Services summed up the projected overspend which was largely due to non-achievement of savings – this work was dependent on the commissioning review, and evidence of the delay was apparent and could have a detrimental impact on the most vulnerable residents. The trade union release time was currently being reviewed, and the additional funds from Central Government for pothole repairs were welcomed – as well as monies for retrofitting technology. The Executive Director for Finance & Resources clarified that there was not sufficient budget to fund the current central release time for staff; the organisation was reviewing to better understand this area and would make proposals for changes.
- 61.4 In response to Councillor A. Norman's queries about the catering contract at Hove Museum the Assistant Chief Executive explained that the museum was in-between contracts, and following the recent tendering process the new contract was due to be awarded.

61.5 Councillor G. Theobald noted the points already made in relation to City Clean and the release time for union staff; he stated he welcomed the review commitment made by the Executive Director for Finance & Resources. The Executive Director for Environment, Development & Housing stated whilst there was all intention of bringing the budget in on target the current dispute was challenging; however, a comprehensive service redesign was planned to help in future financial years.

61.6 The Chair noted that the largest proportion of the overspend related to social care, and it was hoped the Better Care Fund would go some way towards addressing this.

61.7 The Chair then put the recommendations to the vote:

61.8 **RESOLVED:**

- 1) That the Committee note the forecast outturn position for the General Fund, which is an overspend of £5.219m. This consists of £5.019m on council controlled budgets and £0.200m on the council's share of the NHS managed Section 75 services.
- 2) That the Committee note that there is a further £1.890m of as yet unallocated risk provision that could be used to mitigate against this overspend.
- 3) That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.247m.
- 4) That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an underspend of £0.548m.
- 5) That the Committee note the forecast outturn position on the capital programme.
- 6) That the Committee approve the capital programme variations and reprofiles in Appendix 3 and new capital schemes in Appendix 4 (excluding the Dorothy Stringer all weather pitch).
- 7) That the Committee delegate authority to the Executive Director of Finance & Resources to approve the Dorothy Stringer all weather pitch capital scheme, subject to seeking further assurance on the detail of the business case.

62 LIFE EVENTS MID YEAR FEES AND CHARGES REVIEW

62.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Life events Midyear Fees and Charges Review. In line with the Corporate Fees & Charges Policy, Life Events services regularly reviewed its non-statutory fees and charges and compared them with neighbouring local authorities that provided the same or similar services. In addition comparisons had been made against other local private sector service providers. The proposals in the report would mitigate the income shortfalls being experienced in the service area in the current financial year and would place the service on a stronger footing for 2015/16.

- 62.2 Councillors Sykes thanked Officers for the work they had undertaken; he noted that the service as whole cost the Council money, and these proposals would allow these costs to be covered. It was noted that the majority of the income came from funeral directors, and there was still funds available through the National Funeral Support. Councillor Sykes noted the quality of the service that was provided, and hoped the Committee would support the report.
- 62.3 Councillor A. Norman noted that, whilst some of the increases would be to individuals at a very difficult time in their lives, the services provided were very good, and often better than other providers who charged notable more. She gave particular example of the services at Woodvale, and noted that the increases were reasonable and would allow the service to remain competitive.
- 62.4 It was confirmed for Councillor Peltzer Dunn that bookings made before the price increase would be honoured at the original lower price.
- 62.5 The Chair then put the recommendation to the vote:
- 62.6 **RESOLVED:** That the Committee approve the fees and charges for Life Events in Appendix 1 (Bereavement Services) and Appendix 3 (Registration).

63 DRUG AND ALCOHOL RECOVERY SYSTEM PROCUREMENT OUTCOME

- 63.1 The Chair noted there was a petition associated with this item from UNISON and called forward the lead petition, Mr Nick McMaster, to present for up to three minutes.
- 63.2 The petitioners stated that petition was led by UNISON with the intention of keeping the drug and alcohol recovery service within the NHS, and stop it being put out to tender. The current staff working within the service opposed this change and wished to remain part of the NHS – instead of a private profit making company. There was no obligation to put the service out to tender if it was meeting its goals, and a comparison was made to the tendering of sexual health services earlier in the year. The current system already provided a skilled workforce; was value for money, and it was felt that changes to the configuration of the service could undermine this. The staff were equally proud to have an NHS drug and alcohol recovery service, and this was of value to the city. There was also concern that the staff would lose their current NHS terms and conditions, and potentially there could be some loss of sick pay. The petitioners urged the Committee to support the petition, and at the least seek a deferral.
- 63.3 The Committee noted the petition.
- 63.4 The Committee considered a report of the Director of Public Health in relation to the Outcomes from the Adult Drug and Alcohol Recovery Procurement Process. In July 2013 the Committee had considered a paper which outlined the proposals for the Public Health contracts which had transferred to the Local Authority from the NHS; this included procurement plans for the Adult Drug and Alcohol Services. The recommendation in the report was to award the contract to the preferred bidder, and this had also been agreed by the Health & Wellbeing Board on 14 October. The Committee were now asked to make the final decision.

- 63.5 The Chair noted there was a proposed amendment from the Labour & Co-Operative Group and invited Councillor Morgan to propose the amendment.
- 63.6 Councillor Morgan stated it was vital to ensure the service helped individuals recover from substance misuse, and some figures were provided in relation to level of alcohol and substance misuse in the city. The service should be local and accountable within the local NHS, and it was queried if the CCG and Council could have looked for ways to support the current service structure. Staff in the service were unhappy with how the service had been portrayed, and felt that their approach had been deemed 'anti-recovery', and that any concerns with the service should have been brought to the attention of the providers. Further work should have been undertaken with the Trust to reconfigure the service, and staff also felt they were unfairly criticised for maintaining the current service which they had not had a hand in shaping. There was also a lack of clarity in relation to the contracts and status of the staff. In summary it was reiterated that the position of the Labour Group was to keep the service locally provided by the NHS.
- 63.7 Councillor Lepper seconded the amendment.
- 63.8 In response to the Chair it was explained that there was independent consultant hired at the beginning of the process to speak to the service users and stakeholders; an open consultation was then conducted using the Council's website – there had been feedback from the open community through this process. Work had been undertaken with existing providers, and there had been quarterly performance meetings and a 'treatment performance' meeting. As part of the service specification there had been a bidder's briefing, and service providers had been invited to submit questions – there had been positive feedback from service providers throughout this process. There had been a two-stage dialogue: the evaluations panel had three meetings each feeding back and then the second stage with associated feedback. In relation to Social Workers from Adult Service's it was explained that the decision on where they would be employed could not be clarified until the final decision was made; however, there were ongoing conversations with the Adult Commissioner, the Public Health Commissioner and HR in relation to the affected staff to ensure staff were affected at a minimum level.
- 63.9 It was also clarified that this had been an open process; there had been an opportunity for the current service providers to come forward with a joint bid and this had not happened. It was felt the process had been conducted properly in line with the necessary legal requirements. The Chair went on to clarify that the evaluation panel, which included service users, had all agreed with the final recommendation for the preferred bidder, and he added that this bidder was a non-profit organisation with an NHS provider as a partner. The Committee had also unanimously agreed this position in the report in July 2013.
- 63.10 Councillor G. Theobald stated that he had listened to views of the Professional Officers at the Health & Wellbeing Board on Tuesday, and he could not see any reason to defer the report. The procurement process had been done properly and the service users, who had been part of this process, should be at the centre of the service and supported this decision. The preferred bidder was a highly experienced charity that provided services for other local authorities.

- 63.11 In response to Councillor Shanks it was explained that the shift in the emphasis in the service focused around the recovery agenda and the reintegration of service users into the community through employment training and education; with treatment being considered one facet of the recovery journey. There would be greater work with the Department for Work & Pensions (DWP); currently this type of work was 'added' to the service, but there had been shift towards a more social and integration model of service design.
- 63.12 Councillor Sykes noted he had received lots of correspondence in relation to this matter; as well as concerns about the costs of the procurement exercise. He noted that the proposal was not to 'privatise' the service, but instead to allow a new third sector and NHS provider to take it on. He could not support a deferral, and felt that the options proposed in the report was much more preferable to the arrangements in some local authorities.
- 63.13 Before the Committee voted on the amendment the Chair referred to the Monitoring Officer for any legal advice. The Monitoring Officer explained that the amendment followed a similar one that had been tabled at the Health & Wellbeing Board – at that time the Deputy Head of Law had given appropriate advice about the legal position. This amendment now went further and proposed that the contract be awarded to a specific organisation, and it was considered that this carried a significant legal risk as there was a legal requirement for the award of contracts to be fair, transparent and to not discriminate. If the amendment were adopted it could easily be viewed as preferential and outside of the robust procurement process; the risk of legal challenge would be significant and likely to succeed. It was also added that it was important the Committee give due attention and considered to the recommendations from the Health & Wellbeing Board; any departure should only be in exceptional circumstances.
- 63.14 The Chair then put the Labour amendment to the recommendations (as set out below) to the vote:
- “That the decision on awarding the Adult Drug and Alcohol Recovery Service contract is deferred to allow Sussex Partnership NHS Trust more time to formulate an alternative bid.”
- 63.15 The amendment was **not carried**.
- 63.16 The Chair then put the substantive recommendations, as listed in the report, to the vote.
- 63.17 **RESOLVED:**
- 1) That the Committee agrees that the Adult Drug and Alcohol Recovery Service contract is awarded to Cranstoun as the lead provider in the Pavilions Partnership at a value not exceeding £15.6m over a three year period, subject to the Director of Public Health being satisfied about the detailed delivery arrangements; and authorises the Director of Public Health to award this contract upon being satisfied as to the delivery arrangements, and to take all necessary steps in connection with the letting of the contract.

- 2) That the Committee agrees to grant delegated powers to the Director of Public Health to extend the contract at the end of the three year term, with the potential to extend the contract for a further two years if he deems it appropriate.

64 INTEGRATED COMMUNITY EQUIPMENT SERVICE

- 64.1 The Chair noted there was a deputation associated with this item from UNISON and called forward the lead representative, Mr Alex Knutson, to present for up to five minutes.
- 64.2 Mr Knutson explained that the recommendation in the report was for the Integrated Community Equipment Service (ICES) contract to be procured with West Sussex County Council (WSSCC) in October 2015. Reference was made to the makeup of the Health & Wellbeing Board, and it was felt the report before the Committee was inadequate as it gave two options, but did not give any details of the option to use the 'in-house' staff to commission the service. It was noted that Sussex Community Trust had not provided detailed financial information to Officers and the Health & Wellbeing Board and commissioners, and whilst commissioners had supplied a summary of the specification there was not enough information for UNISON and GMB to put together an 'in-house' bid.. It was noted that this placed any private bidder in the same position, but without this information it was felt the decision of the Health & Wellbeing Board had been taken without all the necessary information. The representatives called on the Trust to give all the necessary information for the service, and it was felt the Committee should have asked for this information before taking a decision.
- 64.3 The representatives giving the deputation went on to state that the Committee had a responsibility to local residents; the staff in the service and the service users, and it was noted that there was a 98% approval rating for the service. The Committee were requested to refer the report back to the Health & Wellbeing Board, and allow the trade unions to submit a bid on behalf of the current staff. It was noted that the service was not in any sort of crises, and there would be an impact for the service as a preferred bidder would likely be seeking to maximise profits. It was stated that the Chair had offered to help facilitate an in-house bid, but it was noted that information was not provided at the meeting as had been proposed. The representatives asked that the matter be deferred to explore the other options for the future of the service, and it was felt the 'in-house' option could deliver a better service in view of the wider budget cuts of the organisation.
- 64.4 The Committee noted the deputation.
- 64.5 The Committee considered a report of the Executive Director for Adult Services in relation to the Integrated Community Equipment Service (ICES). The report had been referred from the Health & Wellbeing Board for decision as it related to matters that involved externalising a service that the Council jointly funded and commissioned. The Health & Wellbeing Board had agreed to recommend to the Committee that the CCG enter into a contract with the equipment provider selected by WSSCC.
- 64.6 The Chair noted there was a proposed amendment from the Labour & Co-Operative Group and invited Councillor Morgan to propose the amendment.

- 64.7 Councillor Morgan stated that the speakers on the deputation had made an excellent case to the Committee; he reiterated the 98% satisfaction rate with the current service provision. The service had a dedicated team, and whilst the building itself was no longer fit for purpose, it was important to pause to see if the existing providers could come forward with a workable bid. Councillor Morgan queried if the capital receipts from sales could be used for investment, and went on to add that it was vital there be an excellent local health service employing local people. The Committee were urged to support the proposed amendment.
- 64.8 Councillor Lepper seconded the amendment.
- 64.9 The Chair stated that he had offered to facilitate the meeting, as suggested in the deputation; however, getting hold of the information had proved difficult. It was noted that Sussex Community Trust had given notice on the existing service and the decision was one which in the Council had been forced to take. The Committee had already agreed to the principle of this direction of travel, and the level of pressure in the social care budget was emphasised.
- 64.10 Councillor G. Theobald noted that like the previous item this had been considered at the Health & Wellbeing Board, and it had been the view of the health professionals that this was the best way forward, and there were arguments that Councils should be doing more of the type of joint working that was being suggested in the report. He noted that the funds were not available to invest, and this option was considered to be the best outcome for residents; for these reasons he could not support the amendment. The Chair added there was no question in relation to the quality of the existing service provision.
- 64.11 Councillor Shanks queried if the Council could make a request to WSCC that the provider not be a private company. In response the Chair explained that the provider had served notice, and if this option were not approved then the provision of a replacement service could be severely jeopardised.
- 64.12 Councillor Hamilton noted his own experience of the excellent service that was currently provided, and explained the issues he had found in dealing with WSCC Social Services.
- 64.13 Councillor A. Norman noted that Sussex Community Trust had decided that the service was not part of their core business and the local authority did not have the capital to invest in the service. It was noted that at the Health & Wellbeing Board the decision had been made unanimously by the health professionals.
- 64.14 In response to Councillor Peltzer Dunn it was explained that without a replacement service there was an expectation that individuals would have to stay in hospital longer as the required equipment could not be provided to them.
- 64.15 Councillor Bowden noted he was sympathetic to the Labour amendment; he would welcome a bid from the staff currently providing the service, and he felt there was adequate time to allow them to do this.

- 64.16 Councillor Sykes noted his sympathy with the deputation, and stated that the current service had been widely praised and he felt the position of the trade unions needed to be heard.
- 64.17 In response to some of the points raised Officers explained that it was important to join the West Sussex tendering process at the earliest opportunity to achieve economies of scale. The CCG had been very clear of their position to go with the tendering process, and it was noted that this approach had been approved by the Health & Wellbeing Board. The Monitoring Officer clarified that the amendment had been drafted in view to exploring other options or an 'in-house' bid; any procurement exercise would need to be fair and transparent without giving preference to any single provider. It was added that the view of CCG, who were the majority partnership, and the recommendation of the Health & Wellbeing Board needed to be carefully considered. The Council should seek to avoid a situation of uncertainty, and if the proposed option were not agreed then this could lead to a gap in the service – such a decision could be deemed unreasonable.
- 64.18 The Chair responded to further points in the debate and stated that the recommendations as listed in the report would provide for a fair and transparent procurement; he reiterated that the Council was the minority funder of the service.
- 64.19 Councillor Morgan expressed his concern that the final provider would be chosen by WSCC. In response the Monitoring Officer stated that the WSCC procurement would be open and transparent and compliant with EU procurement rules.
- 64.20 In response to Councillor Peltzer Dunn it was estimated by the Executive Director for Adult Services that it could take up to a year to consider any options coming forward on the basis set out in the proposed amendment. It would be necessary to get the data from Sussex Community Trust to put together a detailed specification. The report had dismissed the option of the service coming in-house due to the associated costs, and it was felt that to go through a procurement process as suggested in the amendment would go beyond the September deadline for the expiration of the current service.
- 64.21 Councillor A. Norman noted that the Health & Wellbeing Board had made its professional view on the matter clear, and that this was in the best interests of the service users.
- 64.22 The Chair then put the Labour & Co-Operative amendment to the recommendation (as set out below) to the vote:
- “That Policy and Resources Committee defer the decision on awarding the contract and request that the Executive Director Adult Social Care and Health investigate on an urgent basis the possibility of establishing a viable option around a local NHS or voluntary sector service employing existing staff, working in co-operation with other NHS Trusts in the city, and using capital receipts from the disposal of the current site to establish a new centre under local public or voluntary sector management.”
- 64.23 The amendment **was carried**.
- 64.24 At this point in the proceedings the Chair called for an adjournment to allow Officers to consider the legal position of the agreed amendment.

64.25 Following the adjournment the Monitoring Officer explained that, whilst the amendment had been carried, the legal and financial consequences of the decision were not clear to the Committee. The service was jointly commissioned by the Council and the CCG – who were the majority provider of the service. Neither the CCG nor the Health & Wellbeing Board had been consulted in relation to the amendment. The Committee had not taken into account all relevant issues, in line with principles of administrative law, and the Monitoring Officer was of the view that to take a decision on the amended recommendation would be unlawful. It was recommended that the Committee defer the final decision to allow further legal and financial information to be considered; as well as the timescales for the WSCC procurement process. Both the Executive Director for Finance & Resources and the Executive Director for Adult Services agreed with this position.

64.26 **RESOLVED:** That the Committee defer the report.

65 PROCUREMENT OF A CONTRACT FOR GAS SERVICING, MAINTENANCE AND INSTALLATIONS

65.1 **RESOLVED:** That the Committee agrees to:

- 1) The procurement of a contract for the annual gas servicing and maintenance including full break-down cover, servicing, maintenance, emergency out of hours maintenance and planned system replacements and/or installations for a five year period, with an option for extension up to a period of two years.
- 2) Grant delegated authority to the Executive Director of Environment and Housing in consultation with Executive Director of Finance and Resources to a) award the contract following the recommendations of the evaluation panel and the results of the tendering process and b) approve an extension to the contract if considered appropriate, having due regard to contractor performance during the initial five year term.

66 INSURANCE TENDER

66.1 **RESOLVED:** That Committee grant delegated authority to the Executive Director of Finance & Resources following consultation with the Chair, to award the insurance contract following evaluation of bids and consideration of the council's retained insurance broker's recommendations and the Insurance Manager's assessment and take all other steps necessary for the implementation of the contract.

67 HANGLETON BOTTOM

67.1 The Committee considered a report of the Executive Director for Environment, Development & Housing in relation to Hangleton Bottom. The report recommended that alternative temporary transit provision was made during the period that Horsdean Transit site was due to be closed. The report noted that without a transit site the potential for unauthorised encampments in the city would be greater on City Parks and Public Recreation Grounds. The report sort landowners consent for the use of the Council owned land at Hangleton Bottom as a temporary traveller site.

- 67.2 Councillor G. Theobald noted he did not support the recommendation in the report, and felt the site could be better used for housing, and expressed concern that some of conditions in relation to the planning permission at the Horsdean site had not been discharged. The Executive Director noted that Officers were working to discharge the conditions at the Horsdean site.
- 67.3 The Chair noted that having an authorised site put the authority in a stronger to manage unauthorised encampments.
- 67.4 Councillor Hamilton noted that the site had been identified as a waste and minerals site; he went on to add that he could not support the report due to the close proximity of residential properties and the poor access to the site. He stated his concerns that the work at Horsdean could take longer than planned and as such he would not support the recommendations in the report.
- 67.5 The Chair confirmed the temporary use of the site would be for one year.
- 67.6 The Chair put the recommendation to the vote.
- 67.7 The recommendations in the report were **not carried**.

68 STANMER PARK HERITAGE LOTTERY FUND PROCUREMENT APPROVAL

68.1 RESOLVED:

- 1) That the Committee approve the procurement of services as set out in paragraph 3 of this report to develop the Stanmer HLF applications to Second Round, subject to a successful outcome to the First Round applications. The match funding required from BHCC will be funded from City Parks Projects over two financial years, 2014/15 and 2015/16.
- 2) That the Committee delegates authority to the Executive Director of Environment, Development & Housing to enter in to the necessary contracts to develop the HLF applications up to the Second and final Round, with the flexibility for these contracts to be extended to the delivery phase subject to further committee approval.

69 SHOREHAM AIRPORT

69.1 RESOLVED:

- 1) That the Council notes that the scheme approved by P&R on 1 May 2014 is no longer proceeding.
- 2) That the Council, by way of a Deed of Variation to the lease, formally postpones the £1m deferred consideration until the first new unit of any development at the airport is capable of occupation. Interest is to be charged on the deferred consideration from the original due date of 16 September 2013 at a commercial rate compounded annually with a long-stop date for payment of 2020.

- 3) That the Council, subject to payment of a suitable premium (such value to be assessed and agreed by the Council's Estates Surveyor) enters into an agreement to relax the user covenant to enable the use of any completed development as a City Deal Growth Hub upon (a) completion of the development and (b) payment of the £1m deferred consideration plus interest due.

70 92 CROMWELL ROAD - SURRENDER AND RENEWAL

70.1 RESOLVED:

- 1) That the Committee authorise the termination of the existing lease for the upper parts of 92 Cromwell Road by accepting a surrender.
- 2) That the Committee authorise the disposal of the whole of 92 Cromwell Road (to include the lower ground floor) by way of a 77 year lease to the same tenant.

71 ITEMS REFERRED FOR COUNCIL

- 71.1 There were no additional items referred to the Council on 23 October 2014.

72 SHOREHAM AIRPORT - EXEMPT CATEGORY 3

- 72.1 **RESOLVED:** That the information contained in the appendix be noted.

73 92 CROMWELL ROAD - SURRENDER AND RENEWAL - EXEMPT CATEGORY 3

- 73.1 **RESOLVED:** That the information contained in the appendix be noted.

74 DRUG AND ALCOHOL RECOVERY SYSTEM PROCUREMENT OUTCOME - EXEMPT CATEGORY 3

- 74.1 **RESOLVED:** That the information contained in the appendix be noted.

75 PART TWO MINUTES

- 75.1 **RESOLVED:** That the Part 2 minutes of the last meeting held on 11 July 2014 be approved as a correct record of the proceedings and signed by the Chair.

76 PART TWO PROCEEDINGS

- 76.1 **RESOLVED:** That the information contained in the appendix, Items 72, 73 & 74, relating to the reports listed at items 96, 70 & 63 on the agenda and the minutes of the last meeting item 75 remain exempt from disclosure to the press and public.

The meeting concluded at 7.28pm

Signed

Chair

Dated this

day of

2014