

11 July 2014

This record relates to Agenda Item 29

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: TREASURY MANAGEMENT POLICY
STATEMENT (INCORPORATING THE
ANNUAL INVESTMENT STRATEGY)
END OF YEAR REVIEW 2013/14

AUTHOR: JAMES HENGEVELD

THE DECISION

- 1) That Policy & Resources Committee endorses the key actions taken during the second half of 2013/14 to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report.
- 2) That Policy & Resources Committee notes that the approved maximum indicator for investment risk of 0.05% has been adhered to and the authorised limit and operational boundary have not been exceeded.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Treasury management is governed by a code that is recognised as “best and proper practice” under the Local Government Act 2003. The Code requires a minimum of two reports per year, one of which is required to review the previous year’s performance. This report fulfils this requirement.

CONCLUSION

This report sets out action taken in the six months to March 2014. Treasury management actions have been carried out within the parameters of the AIS, TMPS and Prudential Indicators. Therefore no alternative options have been considered.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



CALL-IN FOR SCRUTINY

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11 July 2014

This record relates to Agenda Item 30

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: TARGETED BUDGET MANAGEMENT
(TBM) 2014/15 MONTH 2

AUTHOR: JEFF COATES

THE DECISION

- 1) That the Committee note the total forecast outturn position for the General Fund, which is an overspend of £6.031m. This consists of an overspend of £5.851m on council controlled budgets and an overspend of £0.180m on the council's share of the NHS managed Section 75 services.
- 2) To agree the transfer of £0.500m recurrent risk provision to Adult Social Care following the decision not to progress a Local Authority Trading Company, thus reducing the forecast overspend to £5.531m.
- 3) 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.
- 4) That the Committee note the forecast outturn for the Housing Revenue Account (HRA), which is an underspend of £0.029m.
- 5) That the Committee note the forecast outturn position for the Dedicated Schools Grant which is an overspend of £0.007m.
- 6) That the Committee note the forecast outturn position on the capital programme.
- 7) That the Committee approve the following changes to the capital programme.
 - i) *The variations and reprofiles in Appendix 3 and the new schemes as set out in Appendix 4.*
- 8) That the Committee delegate authority to the Executive Director of Finance & Resources in consultation with the Chair of Policy & Resources Committee and the Opposition Leaders to commit a maximum of £50,000 capital expenditure as an investment in the Municipal Bonds Agency subject to the conditions set out in paragraph 3.15.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

This is clearly an early forecast that indicates a significant level of forecast financial risk that must be urgently attended to, particularly in relation to Adult Social Care and Children's Services. In addition to the decision not to progress the Local Authority Trading Company for Adult Social Care there are other savings included in the budget for Adult Social Care which have been delayed or deferred. It is vital for both the immediate and long term financial position that these are now progressed. There are concerning trends on the corporate critical budgets for Community Care and for

Looked After Children which will need further analysis. Mitigating actions and recovery plans are being developed and implemented which should reduce the forecast risk but it is not clear at this stage by how much.

The Executive Leadership Team (ELT) will keep the position under close scrutiny and will take appropriate action to reduce spending, manage vacancies and develop financial recovery plans where necessary.

CONCLUSION

The provisional outturn position on council controlled budgets is an overspend of £5.851m which would be reduced to £5.351m after the transfer of £0.500m recurrent risk provision to Adult Social Care. In addition, the council's share of the provisional overspend on NHS managed Section 75 services is £0.180m. Any overspend at year end will need to be funded from general reserves which would then need to be replenished to ensure that the working balance did not remain below £9.000m. Any underspend would release one off resources that can be used to aid budget planning for future years.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



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11 July 2014

This record relates to Agenda Item 31

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: WAIVERS OF CONTRACT STANDING
ORDERS

AUTHOR: ELIN STAR

THE DECISION

That Policy & Resources Committee notes the number and value of waivers authorised under Contract Standing Orders 18.2, 18.3 and 18.4 during the financial year 2013/2014.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

All waiver requests are subject to significant scrutiny and are required to evidence that Value for Money is demonstrated and that there is no alternative to competitive tender. The waiver process has been tightened in the last twelve months resulting in a number of waivers being initially rejected until receipt of appropriate evidence and satisfactory business cases for direct award. In response to Internal Audit recommendations and as reflected in the council's Annual Governance Statement, the entire process will undergo further scrutiny with the aim of further reducing the number and value of waivers from the current level and improving the robustness of and compliance with the process.

The continuing downward trend reflects continued efforts to increase awareness of CSOs and the need to demonstrate value for money against other options and shows the growing impact of category management procurement and commissioning approaches, including the move to greater use of partnership working and collaborative procurements.

The Corporate Procurement service continues to increase the knowledge of procurement practices and are utilising various innovative approaches to procurement, which are allowed for within CSOs without the need for a waiver e.g. the increase in the use of consortium contracts and frameworks plus greater collaboration with councils across the region.

The Corporate Procurement service also continues to promote good practice in contract governance across the council while also actively investigating and targeting areas for improvement.

CONCLUSION

Not applicable to this report.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

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11 July 2014

This record relates to Agenda Item 32

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: BUDGET AND CORPORATE PLAN
PREPARATION

AUTHOR: NIGEL MANVELL

THE DECISION

- 1) Note the resource and expenditure projections for 2015/16 and the Medium Term Financial Strategy (MTFS) projections set out in the body of the report and appendices 1 to 5.
- 2) Instruct the Executive Leadership Team (ELT) to develop budget proposals for 2015/16, for submission to Policy & Resources Committee for consideration, comprising:
 - a 5.9% increase in the Brighton & Hove element of the council tax which would trigger a referendum in accordance with Chapter IVZA of the Local Government Finance Act 1992 and associated regulations; and
 - a substitute budget assuming a 2% threshold council tax increase that would come into effect if a referendum rejected a proposed 5.9% increase in council tax.
- 3) Require budget proposals to be developed by ELT alongside the creation of a new Corporate Plan for 2015-19, ensuring strong links between the Medium Term Financial Strategy and service and business planning.
- 4) Agree the approach to consultation, engagement and scrutiny as set out in section **Error! Reference source not found.** of this report, which will be designed to shape the new Corporate Plan and Medium Term Financial Strategy as well as the 2015/16 Budget.
- 5) Agree the proposed approach to reviewing the Council Tax Reduction Scheme as set out in paragraphs **Error! Reference source not found.** to **Error! Reference source not found.**
- 6) Note the resource projections for the capital investment programme as shown in appendix 5.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

The council is under a statutory duty to set its council tax and budget before 11 March each year. This report sets out the budget assumptions, process and timetable to meet this statutory duty.

CONCLUSION

The budget process allows all parties to put forward viable budget amendments and council tax proposals to Budget Council on 26th February 2015. Budget Council has the opportunity to debate both the proposals put forward by Policy & Resources Committee at the same time as any viable alternative proposals.

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11 July 2014

This record relates to Agenda Item 34

RECORD OF POLICY & RESOURCES COMMITTEE OVERVIEW & SCRUTINY COMMITTEE DECISION

SUBJECT: ANNUAL PERFORMANCE UPDATE
2013/14

AUTHOR: ANDY EDWARDS

THE DECISION

- 1) That Committee notes the areas of highlighted performance.
- 2) That Committee authorises officers to take the necessary measures to maintain progress and tackle issues of concern highlighted in the report.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

The council must ensure that it uses a robust performance and risk management framework to meet the challenges of delivering services in the financial context that local authorities are now working in.

CONCLUSION

Through consultation with The Chief Executive, Directors and Heads of Service the proposed Performance and Risk Management Framework was deemed to be the most suitable model. This was agreed by Committee and the Brighton & Hove Strategic Partnership.

Possible alternative options to developing the Partnership Performance Plan included not developing a plan. This was deemed unsafe and unwise by the Public Service Board.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



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11 July 2014

This record relates to Agenda Item 35

RECORD OF POLICY & RESOURCES COMMITTEE

POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: MINIMUM BUYING STANDARDS FOR CATERING CONTRACTS

AUTHOR: FRANCESCA ILIFFE

THE DECISION

- 1) That Policy & Resources Committee – Agree that the proposed minimum buying standards, as set out in Appendix 1, be specified in the council's future procurement of catering contracts.
- 2) Grant delegated authority to the Executive Director Finance & Resources to take all necessary measures to implement the recommendation at 2.1.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Adoption of MBS will deliver the Corporate Procurement Strategy aim 'to ensure value for money is achieved whilst the council operates as a "responsible procurer" taking account of social, economic and environmental impacts'.

Adoption of MBS meets policy targets in the One Planet Living Plan and other corporate and citywide strategies. Implementation will contribute to a healthier and more sustainable food system, and provide healthier food for residents, workers and visitors to the city.

Officers managing catering contracts are supportive of adoption of these MBS.

MBS will contribute to bringing all council catering provision up to a minimum standard and provide a framework for further improvement.

CONCLUSION

BHFP researched progress made by other councils with standards for catering: Bristol, Plymouth, Lambeth, Leicester, Havering, Sheffield, Cardiff, Herefordshire, Stockport, and Kirklees. Progress by other authorities has been made around school meals rather than adopting standards across all council catering contracts. Therefore Brighton & Hove could be the first to make this commitment.

Contact with these councils provided important lessons learned on delivering standards across contracts. These included stressing importance that: procurement officers are involved to ensure standards are written into contracts; catering contract managers are actively engaged; and that health and sustainability are both included in standards. They stress that trying to develop new bespoke standards has not been successful, and adoption of existing standards is a better approach.

Three sets of minimum standards were presented by BHFP to council officers for consideration. **Appendix 2** provides *Options Analysis*. Options included:

- i) Government Buying Standards (DEFRA)
- ii) Bespoke standards developed purely by and for council contracts
- iii) Bronze FFL Catering Mark (Food for Life Partnership)

On consideration, catering managers felt FFL offered the most reliable method for improving standards. Due to standards being tried and tested; as commercial caterers know and understand them; as annual audit helps ensure caterers are doing what they say they're doing; and the trusted logo helps communicate to the public, enhancing confidence and ensuring consumers benefit.

4The use of the Catering Mark incurs a cost for annual auditing. BHFP recommended a threshold adopted into the council standards below which FFL certification would not be a requirement, as smaller caterers may find certification costs would not be recouped. BHFP recommend a threshold of £75,000.

For catering outlets falling below the £75,000 threshold, the proposed MBS specify a precise set of standards for budget holders to follow. This will provide helpful definitions of healthy and sustainable food standards for smaller caterers e.g. nurseries and adult social care kitchens.

The officer workshop revealed a lack of co-ordination between these discretely managed smaller catering outlets and kitchens, and that group buying could provide cost savings and streamline procurement processes. Opportunities for development of a Buying Group to increase value for money would be a helpful next step in the delivery of healthy and sustainable food under council contracts. BHFP have some resource to be able to help the council explore this.

Community Meals Contract

The Community Meals Contract is the 2nd largest council catering contract after School Meals. It is currently awarded to RVS (Royal Voluntary Service) who subcontract the cooked meal element to Sodexo/Tillery Valley. RVS also carry out a 'safe and well check' when the food is delivered. Contract renewal is due 2016 with a potential 1 year extension.

Community Meals are currently unlikely to achieve FFL Bronze Standards because meals are processed remotely and transported frozen to be reheated locally. Bronze FFL Standards require that 75% of dishes be freshly prepared from unprocessed ingredients on site or at a local hub. At a national level, few caterers are capable of meeting FFL Standards for community meal contracts. This is therefore a problem shared with all LAs.

4.10 Council officers working on Community Meals aspire towards a more local approach. There are current opportunities being explored with Sussex Partnership NHS Foundation Trust who are in the process of developing a new catering production unit which may have capacity to produce and process food for other public sector contracts across Sussex. If this becomes a viable supplier, RVS may have the flexibility to transfer to an alternative supplier and a contract variation could be negotiated.

Other settings

The city hosts over 400 outdoor events each year that include an offering of food. The council provides a suite of guides and documents for event organisers and exhibitors on the [Sustainable Events page](#) of the council website. If adopted MBS will

be included in the Sustainable Events Guide for Outdoor Events.

Other establishments serving food that are either council owned or leased (e.g. City Park cafes) are not represented here. It is recommended that the MBS be circulated to these outlets as *recommended* standards.

Next Steps

BHFP has committed to continue to work with council caterers to improve standards in public sector procurement. As part of this they have offered to explore the potential for development of a 'buying group' which could offer cost and time saving for smaller outlets. They have also offered to work with Community Meals officers and contract holders to explore how this contract could be delivered more sustainably. BHFP have played a vital role in the development of these standards, and their contribution and commitment has been gratefully appreciated by officers.

Council catering contract managers will be advised by the Corporate Procurement Team to adopt the proposed MBS, writing the standards into the contracts on renewal or re-let; and that council budget holders and officers be advised to adopt the standards when procuring food, drink and catering services.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



CALL-IN FOR SCRUTINY

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11 July 2014

This record relates to Agenda Item 36

RECORD OF POLICY & RESOURCES COMMITTEE

POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: HOME TO SCHOOL SPECIAL NEEDS
PUPILS TRANSPORT AND OTHER
SOCIAL CARE TRANSPORT
CONTRACT

AUTHOR: MICHAEL NIX

THE DECISION

That Policy and Resources Committee:

- 1) Approves the procurement of a framework agreement for home to school transport for pupils with special educational needs and other transport for vulnerable children and adults on behalf of social care teams, for a term of four years from 1 September 2015 to 31 August 2019;
- 2) Grants delegated authority to the Executive Director of Children's Services to carry out the procurement of the framework agreement referred to in 2.1 above including the award and letting of the framework agreement.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

It is necessary to re-tender this framework agreement which expires at the end of August 2015. In order to build in sufficient time to carry out a fair and transparent procurement process, the process must commence now. Although the tendering process will run alongside the wider value for money transport review, it will enable the council to comply with its duty to provide home to school transport for all eligible pupils in the city from 1 September 2015, as well as providing other social care transport, whilst achieving value for money savings through a revised contractual specification.

CONCLUSION

An alternative would be to establish a Dynamic Purchasing System (DPS). A DPS is an electronic system for purchasing commonly used goods and services. It remains open throughout its duration for the admission of providers that satisfy the selection criteria and submit an indicative tender that complies with the service specification.

The Client Transport Value for Money review will explore the possibility of providing some or all of this contract in house by better fleet management utilising existing capacity within the Adult Social Care service. This will require detailed mapping of the use of the fleet and identifying any impact on other services.

The alternative options are not recommended whilst the transport review is being undertaken although this may be pursued in the future depending on the outcome of the review, subject to gaining any relevant approvals.

Proper Officer:

Date: 14 July 2014

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11 July 2014

This record relates to Agenda Item 37

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: PROCUREMENT OF WASTE AND
RECYCLING CONTRACT

AUTHOR: MARTIN HEDGECOCK

THE DECISION

That the Policy & Resources Committee grants delegated authority to the Executive Director, Finance & Resources to approve the procurement and award of a contract for the supply of commercial waste refuse disposal and recycling services to the council for a term of up to a maximum of four (4) years.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Procurement of a new commercial waste contract in accordance with this report will enable the council to continue the progress made to date with waste disposal and recycling and reduce costs while continuing to achieve value for money through efficient management processes. It is therefore recommended that the contract is re-tendered with a rationalised specification that includes sustainability innovation and the potential for food waste recycling.

CONCLUSION

It is recognised that commercial waste disposal providers operate under different legal and statutory requirements from residential waste providers. The rationalisation of the several separate commercial waste and recycling contracts in 2008 has proved to be effective, efficient and value for money. We now have the opportunity to use this model to further improve service requirements, costs and recycling rates and expand on areas of environmentally friendly waste disposal.

The only other option to re-tendering this corporate rationalised contract would be to separate the component elements of the services and tender them individually. This option may mean that the Council loses the benefits of economies of scale – for example salary costs might increase through the need to increase the staff resource that would be required to manage multiple contracts.

Proper Officer:

Date: 14 July 2014

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11 July 2014

This record relates to Agenda Item 38

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: SHARED LIVES (TENDER CONTRACT)

AUTHOR: DAVID PENA-CHARLON

THE DECISION

That Committee approves the tendering of the Shared Lives and Kinship services through an approved procurement process during the financial year 2014-15 for the subsequent three to five years (i.e. contract period April 2015 to March 2018 with an option to extend by up to a further two years).

That delegated authority is granted to the Executive Director of Adult Services to approve the award of a contract to the successful bidders following recommendations of the tender evaluation panel and consultation with the Lead Member for Adult Social Care and Health.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Tendering the Shared Lives & Kinship scheme will allow the merger of the contracts currently held with Grace Eyre Foundation in a transparent manner, respecting the principles of equality in market competition.

Following tendering, the resulting Contract will allow the growth and development of a strong provider in the city. This will allow further development of Shared Lives.

CONCLUSION

There are two Shared Lives contracts with the same provider. As one contract is due to end it is timely to re commission the service as one.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



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11 July 2014

This record relates to Agenda Item 39

RECORD OF POLICY & RESOURCES COMMITTEE

POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: CASH IN TRANSIT CONTRACT

AUTHOR: NIGEL MANVELL

THE DECISION

That the Policy & Resources Committee note the urgency action taken by the Executive Director Finance & Resources after consulting the Chair of the Policy & Resources Committee.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Following the unacceptable situation and level of risk with the foregoing contractor, a new cash in transit provider has been identified and has been appointed for a period of 2 years by the Executive Director Finance & Resources, in consultation with the Chair of Policy & Resources Committee, using urgency powers. A record of the decision making process is provided at Appendix 1.

CONCLUSION

Immediately on becoming clear that the council may need to terminate the current contract, the availability of an alternative provider was explored. In liaison with Corporate Procurement, several framework agreements were considered. Considering service provision, price and flexibility, the ESPO framework agreement was identified as being the most suitable procurement framework available to the council. Under this framework, BDI Securities UK Ltd (BDI) are the single supplier of cash in transit and ancillary services in the geographical region covering Brighton & Hove. It was therefore proposed to call off from the framework by awarding the contract to BDI Securities UK Ltd ('BDI').

BDI are an experienced security carrier holding contracts with several large public sector authorities, including several London Boroughs, the Metropolitan Police and various NHS bodies along with several contracts within the private sector including Travelex (a large foreign exchange retailer). They have provided excellent references and have met the council's strict financial assessment requirements for new contractors. Council officers have undertaken a site visit to BDI offices and held several meetings at council offices. During these meetings BDI have been professional, competent and flexible and have provided the necessary assurances that they are able to meet the council's service requirements within the framework contract specification.

Well-defined key performance indicators around service provision and the speed of transfer of council funds have been agreed with BDI together with financial penalties for non-compliance. These, along with general service provision, will be monitored daily both by BDI and council officers.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

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11 July 2014

This record relates to Agenda Item 40

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: HOVE TOWN HALL, SOUTH END,
OFFICE OPTION

AUTHOR: ANGELA DYMOTT

THE DECISION

- 1) That Policy & Resources Committee approve the refurbishment of the south end of Hove Town Hall as specified in paragraph 3.5 of this report.
- 2) That the Executive Director Finance & Resources be granted delegated authority:
 - (i) to commence appropriate engagement and negotiations with potential service providers and organisations, in relation to the proposed refurbishment referred to in paragraph 2.1 above; and
 - (ii) to grant leases to such service providers and organisations on such terms as the Director considers appropriate.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Having reviewed the risks of achieving a commercial use for the upper floors of the south end of Hove Town Hall and having explored other options for this area, it is recommended that the council refurbishes the area for serviced offices that could be rented out either to external or public, voluntary and community sectors. The business model would use the council's borrowing powers to fund the capital works and ensure that the rental income received plus service costs will cover the borrowing to achieve a cost neutral funded model.

CONCLUSION

Policy & Resources Committee on 12th September 2013 approved the option of disposing of this surplus accommodation for conversion by a commercial organisation.

Doing nothing is not an option as the accommodation is surplus to the Council's requirements and were it not developed would be vacant under-used space with on-going building revenue and maintenance costs and liabilities in this prime location.

Proper Officer:

Date: 14 July 2014

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11 July 2014

This record relates to Agenda Item 41

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: PORTSLADE SPORTS CENTRE -
FUTURE MANAGEMENT
ARRANGEMENTS

AUTHOR: MICHAEL NIX

THE DECISION

- 1) That the Committee gives approval to undertake a procurement process to seek an external operator to manage Portslade Sports Centre.
- 2) That the Committee grants delegated approval to the Executive Director of Children's Services to
 - (i) appoint an external operator on a six year management contract from 1st April 2015 to be coterminous with the citywide Sports Facilities Contract
 - (ii) grant an extension to the management contract for a period of up to five years should it be required in order to be coterminous with the citywide Sports Facilities Contract.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

Seeking an external operator is considered to be the best way of securing a financially sustainable future for PSC and improving the standard of provision for the Portslade community and students of PACA.

CONCLUSION

During the discussions between the Council, PACA and the Aldridge Foundation, three options were considered:

Option 1 - Status quo: the Council continues to operate and manage the centre, with the centre manager reporting to a Council officer and agreed day to day links with a senior manager at PACA and a formal agreement with PACA to provide facilities for its school sports functions.

Option 2 - Transfer to PACA, with a formal agreement with the Council to preserve and develop the centre's community sports functions.

Option 3 - Enter into a contract with a leisure services provider (the majority of which are not-for-profit trusts), with a formal agreement with the Council to preserve and develop the centre's strong community use and a formal agreement with PACA to provide facilities for its school sports functions.

Option 1, continuing with the current management arrangement, would ensure the Council retains direct control of the operation but there are a number of

disadvantages:

- The Council would be retaining the risk of operational income and expenditure.
- The Council does not have the resources to make the necessary improvements.
- The existing arrangement for managing the centre is not ideal as PSC is the only such facility directly managed by the council and so this option would not be consistent with the Council's strategy for managing its other sports facilities.

Option 2, transfer of the centre to PACA, has been the subject of lengthy and detailed discussions between the Council, PACA and the Aldridge Foundation over the last two years. However, having considered this option in the light of these discussions and in relation to its core responsibilities as an Academy, the PACA Board advised the Council in October 2013 that management through a leisure services provider was their preferred route and Option 2 was to be discounted.

Option 3, entering into a management contract with a leisure services provider is likely to provide the following benefits:

- A leisure services provider has the benefit of economies of scale from managing many sports facilities. This has the potential to improve standards of service and increase use of the centre through more effective programming and marketing.
- Potential investment in facilities and equipment to meet modern day customer expectations. A provider is likely to invest if they feel that such investment will increase use and therefore provide sufficient financial return to them during the term of their contract.
- Potential revenue saving to the Council. A provider will probably increase income as a result of 1 & 2 above. Most providers also benefit financially from relief from business rates and VAT due to their trust status. This means that they can usually operate with lower expenditure levels than in-house management.
- A wider range of opportunities for staff for professional and career development.
- Transfer the risk of operational income and expenditure to an external provider, although the Council would retain some landlord responsibilities for maintenance of building fabric.
- The Council would still be able to monitor and influence service delivery through the contract specification and would reserve the right to approve fees and charges as is the case with other Council sports facilities.

For the reasons given in 4.3 and 4.4 above, it was decided that the Council should consider the feasibility of Option 3, to enter into a contract with a leisure services provider to manage the centre. This would be in line with the Council's strategy for the management and development of its six other community sports facilities, through the current citywide contract with Freedom Leisure. Like many such leisure

services providers, Freedom Leisure is a not for profit trust with its origins in the public sector.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:

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11 July 2014

This record relates to Agenda Item 42

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: STANMER PARK MASTER PLAN &
APPLICATION FOR HERITAGE
LOTTERY FUND GRANT FUNDING

AUTHOR: JAN JONKER

THE DECISION

- 1) That the Committee agrees the approach outlined in this report to apply for grant funding for the Stanmer Project which includes the submission of a Stage 1 Parks for People application in August 2014 and a Heritage Grant in October 2014.
- 2) That the Committee notes the funding requirements for the project and agrees in principle the ring fencing of the match funding identified in this report and to explore options to meet the shortfall in match funding.
- 3) That the committee delegates authority to the Executive Director of Environment, Development & Housing and the Executive Director of Finance & Resources to oversee the completion of the Stage 1 funding bids and to sign off the final documents prior to submission to HLF.
- 4) That the committee agrees in principle to the relocation of the City Parks Depot out of Stanmer Park and authorises officers to continue to look into alternative locations and funding options for the relocation.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

It is proposed to submit Heritage Lottery Fund (HLF) grant applications to help deliver the Masterplan once finalised. This report summarises the progress made to date on the project, seeks approval to progress the HLF bid, sets out proposed governance arrangements to oversee its delivery and seeks permission to consult on the Master Plan.

CONCLUSION

The proposed Masterplan requires significant investment and a holistic approach to managing the park is proposed. The alternative options, Do Nothing or Fund Essential Works Only have been considered below.

Do Nothing

- Stanmer Park including Home Farm is on the English Heritage At Risk Register. As a minimum the council is required to prevent further deterioration to the park and the buildings and it can be subject to an Enforcement Notice to address these issues by the SDNPA as the planning authority.
- Some of the offices in the park, accommodating the SDNP animal welfare and pest control need to be replaced as they are no longer fit for purpose. If no

new offices are provided it is likely that the SDNPA will relocate elsewhere.

- Traffic and parking is having a detrimental impact on access to the park and its infrastructure. The access road and car parks are in a poor state of repair.

Fund Essential Works Only

- The authority could fund essential works to address the immediate conservation concerns from the funding identified and fund some improvements to parking through the implementation of parking controls.
- The access road will need to be resurfaced properly in the medium term with an estimated cost of £0.66m.
- It is estimated that £0.4m worth of investment is needed in Home Farm to prevent further deterioration. However this would not put the buildings back in to economic use and would not benefit the park. Without significant investment the park will continue to decline.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



CALL-IN FOR SCRUTINY

Note: This decision will come into force at the expiry of 5 working days from the date of the meeting at which the decision was taken subject to:

- (xxv) any requirement for earlier implementation of the decision or,
- (xxvi) the decision being called in for review by 5 Members from two or more Groups represented on the Council.

11 July 2014

This record relates to Agenda Item 43

RECORD OF POLICY & RESOURCES COMMITTEE DECISION

SUBJECT: DISPOSAL OF 18 MARKET STREET

AUTHOR: JESSICA HAMILTON

THE DECISION

- 1) That the Committee authorise the disposal of 18 Market Street to the purchaser identified at the sale price agreed.
- 2) That the Committee note that the capital receipt received may be used for reinvestment to provide an ongoing income stream to support the council's Corporate Plan and Medium Term Financial Strategy and this will be subject to a future report to this Committee.

ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

The recommendation is to dispose of the freehold interest to the special interest purchasers identified.

The capital receipt of the disposal may be used for reinvestment to provide an ongoing income stream to support the council's Corporate Plan and Medium Term Financial Strategy and this will be subject to a future report to this Committee.

CONCLUSION

Retaining the property will continue to provide an income stream, albeit slightly lower than previously paid by Starbucks

Marketing this property on the open market may well garner interest and ensure a capital receipt representing market value but may also deter the party currently interested who, because of their special interest are willing to pay above market value as verified by the council's agents Cluttons.

Proper Officer:

Date: 14 July 2014

Mark Wall, Head of Democratic Services

Signed:



CALL-IN FOR SCRUTINY

Note: This decision will come into force at the expiry of 5 working days from the date of the meeting at which the decision was taken subject to:

- (xxvii) any requirement for earlier implementation of the decision or,
- (xxviii) the decision being called in for review by 5 Members from two or more Groups represented on the Council.

