

BRIGHTON & HOVE CITY COUNCIL

POLICY, RESOURCES & GROWTH COMMITTEE

4.00pm 8 DECEMBER 2016

**COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE,
BN3 3BQ**

DECISION LIST

Part One

78 TARGETTED BUDGET MANAGEMENT (TBM) 2016/17 MONTH 7

Contact Officer: Nigel Manvell
Ward Affected: All Wards

Tel: 01273 293104

- 1) That the Committee note the forecast risk position for the General Fund, which indicates an in-year budget pressure of £3.450m. This includes a pressure of £0.419m on the council's share of the NHS managed Section 75 services.
- 2) That the Committee note that total recurrent and one-off risk provisions of £3.000m, less additional restructure and redundancy commitments, are available to mitigate the forecast risk if the risks cannot be completely eliminated by year-end.
- 3) That the Committee note the forecast for the Housing Revenue Account (HRA), which is an underspend of £1.466m.
- 4) That the Committee note the forecast risk position for the Dedicated Schools Grant which is an underspend of £0.215m.
- 5) That the Committee note the forecast outturn position on the capital programme and approve the variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.
- 6) That the Committee approves the establishment of a Community Equipment Store reserve of £0.350m (see Adult Social Care section of Appendix 2).
- 7) That the Committee agrees to halt the disposal process with respect to two parcels of the city's Downland estate namely 'Land at Plumpton Hill' and 'Land at Poynings' and that an urgent report be brought to the

January 2017 Committee meeting detailing alternative options in relation to the proposed disposal process referred to in Policy and Resources Committee of 11th February 2016, and that these options take account of any impact affecting the HLF Stanmer Park bid.

79 BUDGET PLANNING & RESOURCE UPDATE - DRAFT PROPOSALS 2017/18 - 2019/20

Contact Officer: Heather Bentley
Ward Affected: All Wards

Tel: 01273 291244

That the Committee:

- 1) Notes the updated forecasts for resources and expenditure and an estimated budget gap for 2017/18 based on a 1.99% Council Tax increase and an additional 2% Adult Social Care precept.
- 2) Note the Budget Strategy and approach to meeting the financial challenge next year and over the life of this parliament.
- 3) Notes the refreshed 4 year ISFPs including detailed draft proposals for savings in 2017/18 towards meeting the identified budget gap.
- 4) Directs that all of the draft savings proposals identified at Appendix 2 be subject to further consultation and engagement, meeting statutory consultation requirements where required.
- 5) Notes the update on the HRA budget set out in paragraphs 3.40 to 3.43.
- 6) Notes the Capital Investment Programme update set out in paragraphs 3.44 to 3.48.
- 7) Receive and note the Equality Impact Assessments undertaken in relation to the draft budget proposals.

80 COUNCIL TAX REDUCTION REVIEW

Contact Officer: John Francis
Ward Affected: All Wards

Tel: 01273 291913

That the Committee:

- 1) Notes that the Council undertook formal consultation as a part of this review and that as part of the formal consultation a draft scheme was

published which contained possible changes to the scheme and people were invited to give their views on that scheme.

- 2) Notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4
- 3) Notes that an Equalities Impact Assessment (EIA) (appendix 2) has been undertaken on the possible changes set out in the draft scheme and the recommendations set out in 2.9.1 to 2.9.6 in this report. The committee should further note that, to meet their Public Sector Equality Duty, members must give conscientious consideration to the findings of this assessment when making a decision on the recommendations in 2.9.1 to 2.9.6. The actions which will be undertaken as a result of this EIA are set out in section 7.11.
- 4) Notes that the Executive Director of Finance and Resources will, prior to 1st April 2017, exercise delegated powers to increase the appropriate calculative elements of the scheme to give effect to national changes.

That the Committee recommends to Council:

- 5) It notes that the Council undertook formal consultation as a part of this review and that as part of the formal consultation a draft scheme was published and people were invited to give their views on that scheme.
- 6) It notes the outcome of that consultation (appendix 1) which has been summarised in section 5.4.
- 7) It notes that an Equalities Impact Assessment (EIA) (appendix 2) has been undertaken on the proposed changes in the draft scheme and the recommendations in this report. It should further note that, to meet their Public Sector Equality Duty, members must give conscientious consideration to the findings of this assessment when making a decision on the recommendations in 2.9.1 to 2.9.6. The actions which will be undertaken as a result of this EIA are set out in section 7.13.
- 8) That the Executive Director of Finance and Resources be authorised to amend the council's Council Tax Reduction Scheme (Persons who are not Pensioners) (Brighton and Hove City Council) 2013 to reflect the changes at 2.9 to 2.9.6 below, and to take all steps necessary and incidental to the introduction of the revised scheme.

Proposed changes to scheme from 1st April 2017

- 9) The changes set out in 2.9.1 – 2.9.4 are made to the Council Tax Reduction Scheme (Persons who are not Pensioners)(Brighton & Hove City Council) 2013 to take effect from 1st April 2017. (These changes are set out in more detail in 4.3).

9.1) Change the taper rate from 20p to 25p.

- 9.2) To limit maximum CTR to the equivalent available for Band D property.
- 9.3) Change the minimum CTR payable to £5.00 per week.
- 9.4) For people with an entitlement to CTR on 31st March 2017 who will be affected by the provision in 2.9.2 transitional protection will be applied so that no one will be worse off by £10 or more per week as a result of this provision. This transitional protection will end either: after a year; when a person moves, or when their claim ends, whichever is soonest.
- 9.5) As per the four year budget plan previously agreed at February 2016 Budget Council and presented in the three year saving plan on this agenda the permanent budget funding used to support the Discretionary Council Tax Reduction Scheme to be set at a £0.055m for 2017/18. A further £0.095m will be set aside from the Welfare Reform reserve to provide £0.150m discretionary funds overall.
- 9.6) Amend the Discretionary Council Tax Reduction Scheme (Brighton & Hove City Council) 2016 so that people who would otherwise qualify for council tax reduction were it not for the provision in 2.9.3 (£5.00 minimum CTR) can apply for Discretionary Council Tax Reduction.

81 TREASURY MANAGEMENT POLICY STATEMENT 2016/17 (INCLUDING ANNUAL INVESTMENT STRATEGY 2016/17) –MID YEAR REVIEW

Contact Officer: James Hengeveld *Tel:* 01273 291242
Ward Affected: All Wards

- 1) That Policy, Resources & Growth Committee endorses the key actions taken during the first half of 2016/17 to meet the treasury management policy statement and practices (including the investment strategy) as set out in this report.
- 2) That Policy, Resources & Growth 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 in the first half of the year.

82 STREET LIGHTING INVEST TO SAVE PROJECT

Contact Officer: Gill Packham
Ward Affected: All Wards

Tel: 01273 291202

That the Committee:

- 1) gives approval to progress the Street Lighting Invest to Save project based upon the efficiency savings business case set out in Appendix 1 (“Business Case”);
- 2) Approves the inclusion of the Street Lighting Invest to Save project in the Council’s Capital Investment Programme as detailed in 2.1.3 below;
- 3) Approves the funding of the invest to save project with £7.056m from unsupported borrowing and £0.900m from the Local Transport Plan (LTP) capital programme over the lifetime of LTP4, three years.
- 4) Grants delegated authority to the Executive Director of Economy, Environment & Culture to procure and award a contract(s) including any necessary extensions to deliver the Street Lighting Invest to Save project and street lighting maintenance.

83 TRAFFIC SIGNAL CONTRACT

Contact Officer: Sean Power
Ward Affected: All Wards

Tel: 01273 290544

That the Committee:

- 1) Approves the procurement of a contract for the maintenance, installation and supply of traffic signal and associated control equipment for a term of 7 years with the option to extend for up to a further 3 years.
- 2) Grants delegated authority to the Executive Director for Economy, Environment & Culture -
 - (i) to carry out the procurement of the contract referred to in 2.1 above including the award and letting of the contract;
and
 - (ii) to extend the contract referred to in 2.1 above for period(s) up to a total maximum of 3 years should he/she consider it appropriate at the relevant time.

84 WHEELED BINS FOR RECYCLING

Contact Officer: Richard Bradley
Ward Affected: All Wards

Tel: 01273 294701

That the Committee:

- 1) Approves the introduction of wheeled bins for recycling across the city, where there is room for the storage of a wheeled bin at an estimated cost of £1.1 million funded by additional borrowing,(which will be incorporated into the council's budget strategy for 2017/18 onwards)
- 2) Approves the procurement of a one-off supply of wheeled bins under a framework arrangement;
- 3) Grants delegated authority to the Executive Director Economy, Environment and Culture, following consultation with the Executive Director Finance & Resources, to carry out the procurement via an approved framework arrangement referred to in 2.2 above including the award and letting of the call-off contract under the framework arrangement;

85 RESIDENTIAL CHILD CARE, FOSTER CARE AND SEN EDUCATION PLACEMENTS

Contact Officer: Steve Dillow
Ward Affected: All Wards

Tel: 01273 291019

That the Committee:

- 1) Grants delegated authority to the Executive Director of Families, Children & Learning to conclude negotiations with West Sussex County Council on the terms of access and agreement to participate in a regional Dynamic Purchasing System (DPS) for the provision of placements in independent residential children's homes, independent foster care and independent non-maintained special schools (INMSS).
- 2) Approves the procurement of a DPS, framework agreement or individual contracts, either led by West Sussex County Council (WSSCC) as the contracting authority or procured with one or more other regional partners or procured by Brighton & Hove City Council for its sole use (depending on the outcome of 2.1 above), for the provision of placements in independent residential children's homes, independent foster care and INMSS.
- 3) Grants delegated authority to the Executive Director of Families, Children & Learning to: (i) carry out the procurement of the DPS, framework agreement or individual contracts referred to in 2.2 above; (ii) agree the

term of the DPS, framework agreement or individual contracts; (iii) award and let the DPS, framework agreement or individual contracts and; (iv) award and let placement agreements under the DPS, framework agreement or individual contracts.

86 PROGRESS UPDATE AGAINST CORPORATE KEY PERFORMANCE INDICATORS Q2 2016/17

Contact Officer: Rima Desai *Tel: 01273 291268*
Ward Affected: All Wards

That the Committee review progress in relation to Corporate KPIs, particularly corrective measures outlined for 'red' and 'amber' indicators; provide ongoing support and challenge to lead officers to bring performance back on track.

87 COMMITTEE TIME TABLE 2017/18

Contact Officer: Mark Wall *Tel: 01273 291006*
Ward Affected: All Wards

That the proposed timetable of meetings for the 2017-18 municipal year be agreed; subject to any necessary amendments following changes to the Constitution and/or committees' requirements.

88 RESPONSE TO THE REPORT OF THE FAIRNESS COMMISSION

Contact Officer: Nicky Cambridge *Tel: 01273 234041*
Ward Affected: All Wards

That the Committee agreed the response to the Fairness Commission recommendations set out in Appendix 1 to this report and authorises Officers to take all steps necessary or incidental to the implementation of the responses within the scope of the agreed budget or where resources allow.

89 LOCAL HEALTH & SOCIAL CARE INTEGRATION

Contact Officer: Geoff Raw *Tel: 01273 297329*
Ward Affected: All Wards

That the Committee:

- 1) Affirms the general principle of integrating health and adult social care services in the city and the strategic objectives set out in paragraph 3.10 of this report;
- 2) Agrees that the Executive Director of Health & Adult Social Care along with the Executive Directors for Finance & Resources and also Families, Children & Learning, work with the Chief Operating Officer and Chief

Finance Officer of the Clinical Commissioning Group (CCG) and other health partners to undertake joint financial planning to 2020 and develop an integrated service commissioning framework;

- 3) Agrees that a review of governance be undertaken by the Executive Lead Officer for Strategy, Governance and Law to support the work of the city's Health & Wellbeing Board (HWB) and Health Overview Scrutiny Committee (HOSC) in providing public engagement, oversight and scrutiny;
- 4) Agrees that the resulting strategic policy and financial implications of integrated health and adult social care service proposals in the city, be reported back to PR&G Committee and referred to the Health & Wellbeing Board. This work will also report to the CCG Clinical Strategy Committee

90 TUPE TRANSFERS AND TRADE UNION RECOGNITION & INVOLVEMENT

Contact Officer: Alison McManamon *Tel:* 01273 290511
Ward Affected: All Wards

That the Committee approve the following:

- 1) That the Council makes clear in the tender documentation for new contracts which involve the potential TUPE transfer of council staff that consultation is required ahead of the transfer where any changes to Trade Union recognition are envisaged by the new contractor, whether the automatic transfer principle applies or not (see 3.3 below).
- 2) That, subject to the considerations described below in 3.6 and 3.7, the following criteria question is included during the evaluation stage for all tender processes that are likely to involve the TUPE transfer of council staff:

'Brighton & Hove City Council is a collective bargaining organisation and recognises GMB and UNISON Trade Unions for this purpose. The Council believes that Trade Union recognition provides a good indication of a constructive approach to employee relations and would therefore ask that bidders confirm whether these arrangements will be continued or, in the alternative, to explain how they consult and engage with unions and / or the workforce to ensure best practice in terms of employee relations'.

- 3) That, where Trade Unions request to be involved as stakeholders during the procurement process in order to comment on prospective providers of commissioned and contracted services where there will be a TUPE transfer of council staff, the process set out in 3.9 below is followed.

91 DRAFT HOUSING ALLOCATIONS POLICY

Contact Officer: James Crane
Ward Affected: All Wards

Tel: 01273 293316

That the Committee:

- 1) Notes the comments of Housing & New Homes Committee and agrees the Policy subject to the amendments set out above.
- 2) That Assistant Director Housing be authorised to make consequential amendments to rest of the policy to make it consistent with the changes referred to in resolution 3 (of the Housing & New Homes Committee resolution on 16 November 2016).

92 HOUSING DELIVERY OPTIONS - LIVING WAGE JOINT VENTURE

Contact Officer: Sam Smith, Martin Reid

Tel: 01273 291383, Tel: 01273 293321

Ward Affected: All Wards

That the Committee

- 1) Support in principle the living wage joint venture proposal subject to the further safeguards being put in place outlined below;
 - a) That no HRA asset will be transferred or sold into the Joint Venture and this shall be written into the Heads of Terms, or equivalent legal agreement or final contracts.
 - b) That the Council review options for any General Fund land being sold to the Joint Venture (including direct development), with member oversight of this being considered for any sum above and including zero pence at the Estate Regeneration Board.
 - c) In order to ensure best value for money, any transfer of council owned land to the JV is publicised on the council website to any potential bidders, valued by an independent valuer or the District Valuer to ensure best consideration reasonably obtainable is achieved and submitted in the Committee papers for approval relating to the transfer.
 - d) In the event of the Council's General Fund revenue budget being placed under stress or in a deficit position as a result of the JV, that the Committee note mechanisms exist for the Section 151 Chief Financial Officer to advise Members of options for managing the deficit position in order to mitigate the impact on the General Fund services. Such mechanisms include reviewing the adequacy of risk

provisions and/or reserves under Section 25 of the Local Government Act 2003 or, alternatively, re-financing.

- e) It should be explicit in the heads of terms or subsequent contracts that any profit from the Joint Venture should be split on a 50/50 basis.
 - f) That the Council notes in future land transfers, a buy back clause for the council will be included if development does not commence by the JV within 3 years at the same price it was purchased by the JV.
 - g) Changes to the Heads of Terms be made to ensure that only the relevant Committee can agree to a change in the reserved matters list and this cannot form part of the annual business plan to be changed.
 - h) The Heads of Terms be amended at 4.15 to read that 90% of fair value of 3 independent valuers, including the district valuer, shall be transferred in the event of a default.
 - i) That the Heads of Terms lock in period should read 10 not 7 years.
- 2) Give delegated authority to the Executive Director of Economy, Environment and Culture following consultation with the Executive Lead Officer for Strategy, Governance & Law, the Executive Director of Finance & Resources, the Estate Regeneration Board and the Strategic Delivery Board to:
- (a) Develop and negotiate the deal with Hyde; in which the following are agreed:
 - (1) The Shared Ownership properties should first be marketed locally to buyers with a connection to Brighton & Hove with a cascade for wider marketing to be triggered only after such reasonable marketing period has first expired.
 - (2) That the rent formula proposed for the National Living Rent calculation in the SFVM be changed to make the rents more affordable for local people on lower incomes. Specifically that the current rent formula which is calculated based on 40% of gross income be reduced to 37.5% of gross income in the SFVM.
 - (3) Should cost of living increases in rents for tenants of the joint

venture rise at a rate that is in excess of actual increases in the rate of the National Living Wage, the parties to the Joint Venture agree to discuss the scope to address this issue when reviewing the business plan. Having regard to the required commercial performance of the project in line with the SFVM and Business Plan,

- (4) Should cost of living increases in rents for tenants of the joint venture rise at a rate that leads gross rents to exceed the Local Housing Allowance, the parties to the Joint Venture agree to discuss the scope to address this issue when reviewing the business plan. Having regard to the required commercial performance of the project in line with the SFVM and Business Plan.
 - (5) That should the business model exceed its projected rate of return, all Brighton & Hove City Council surplus monies be ring fenced exclusively to provide additional council owned emergency accommodation for homeless people and additional living wage rented housing.
- b) Agree and authorise execution of the Heads of Terms and subsequently the documentation required to implement the proposed Joint Venture;
 - c) Make the appointments from the Council to the management board;
- 3) Note that reserved matters (as detailed in 3.30) will come back to the Housing and New Homes committee, as well as the Policy Resources and Growth Committee for approval including any business plans which are to be delivered through the Joint Venture, and the disposal of land/sites to the JV.

93. HOUSING DELIVERY OPTIONS - WHOLLY OWNED HOUSING COMPANY

Contact Officer: Sam Smith, Martin Reid *Tel:* 01273 291383, *Tel:* 01273 293321
Ward Affected: All Wards

That the Committee:

- 1) Give delegated authority to the Executive Director of Economy, Environment & Culture in consultation with the Executive Lead Officer for Strategy Governance & Law and Executive Director of Finance & Resources to:
 - a. progress a wholly owned Special Purpose Vehicle or Housing Company to support the provision of additional homes in the city;
 - b. agree and authorise execution of documentation required to

- implement the model;
 - c. make the appointments to the management board;
- 2) Note that future projects will come back to committee for approval including any business plans and the disposal of land/sites.