

BRIGHTON & HOVE CITY COUNCIL
POLICY, RESOURCES & GROWTH COMMITTEE

4.00pm 23 MARCH 2017

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

MINUTES

Present: Councillors , Hamilton (Deputy Chair), G Theobald (Opposition Spokesperson), Mac Cafferty (Group Spokesperson), Janio, Mitchell, A Norman, Meadows, Robins, Sykes and Wealls

PART ONE

132 PROCEDURAL BUSINESS

(a) Declarations of Substitutes

132.1 Councillor Robins was present in substitution for Councillor Morgan.

(b) Declarations of Interest

132.2 There were no declarations of interests in matters listed on the agenda.

(c) Exclusion of Press and Public

132.3 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.

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

133 MINUTES

133.1 **RESOLVED** – That the Chair be authorised to sign the minutes of the previous meeting held on 9 February 2017 as a correct report.

134 CHAIR'S COMMUNICATIONS

134.1 The Chair asked the Committee and all those present at the meeting to join him in a minute's silence for the victims of the 22 March 2017 Westminster Terrorist Attack.

135 CALL OVER

135.1 The following items were called for discussion:

- Item 139 – Annual Investment Strategy 2017/18
- Item 141 – 2017/18 Local Transport Plan Capital Programme
- Item 144 – Establishment of Brighton & Hove Community Fund
- Item 145 – Brighton & Hove City Council Rough Sleepers Social Impact Bond
- Item 146 – Update to the Scheme of Delegation
- Item 147 – Proposal to Create a New economic Strategy for Brighton & Hove
- Item 148 – Brighton Town Hall: City Hall and Civic Office Proposals
- Item 149 – Asset Management Fund 2017/18
- Item 150 – Circus Street Redevelopment
- Item 152 – Circus Street Redevelopment – Exempt Category 3

135.2 The 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 agreed and adopted:

- Item 138 – Treasury Management Policy Statement.
- Item 142 – Planned Maintenance Budget Allocation 2017-18 and Programme of Works for the Council's Operational Buildings.
- Item 143 – Pay Policy Statement.

136 PUBLIC INVOLVEMENT

136.1 There were no matters listed under Public Involvement.

137 MEMBER INVOLVEMENT

137.1 The Chair noted there was a letter from Councillor Mac Cafferty in relation to Business. Councillor Mac Cafferty spoke to his letter stating that the thrust of it sought clarification on how the changes would affect the city, and its profile of businesses. There was concern that the changes would be difficult for smaller businesses, and it was hoped there was an action plan proposed by the Administration. The relief fund was recognised, but there could still be the need for additional local assistance.

138.1 Councillor Hamilton gave the following response:

“The Valuation Office Agency's 2017 Revaluation has resulted in some significant changes in Rateable Value for some properties. The Rateable Value is only the starting point of calculating how much a ratepayer is liable to pay. Business Rates bills have now been issued and these will show the true increase once all the relevant calculations have been applied.

Although the setting of bills is outside of the council's control, we are concerned about the impact on local business. Although in Brighton and Hove, roughly 57% of non-domestic properties will have no increase, or a reduction to their bill, 7% will have an increase of between 0% and 5%, a further 18% will have an increase of 5% - 10% and the remaining 18% will have an increase above 10%.

However there is some transitional protection provided by the government to limit the increases to bills. This would apply to the World's End pub (as referenced in the

member letter) meaning that the 123% figure would not apply to the increase to its bill. Furthermore, pubs with a Rateable Value below £100,000 will also receive a £1,000 discount, announced by the government in the Spring Budget. However, in future years, the bills will increase as the transitional protection reduces.

A further measure that will help some businesses in the city concerns the increase in the threshold for Small Business Rate Relief from £6,000 to £12,000; more businesses are now in scope for 100% relief.

Online businesses and retailers are not specifically excluded from the change. Every non-domestic property has been revalued. However, online retailers are not necessarily limited to prime locations and premises, and so they may have more freedom to choose premises that have a lower Rateable Value.

Although revaluation was first announced in October 2016, it was only in the Spring Budget that further measures were announced on top of transitional protection:

- 1) A £300 million discretionary fund, to be split among Local Authorities and administered locally.
- 2) A £1,000 discount for pubs with a rateable value below £100,000 (this would include The World's End)
- 3) Ratepayers losing all or part of their Small Business Rate Relief as a result of revaluation will have their bill increase limited to no more than £50 per month. Many Guest Houses are particularly affected by losing this relief and so they will be beneficiaries of the new protection.

Unfortunately none of these measures were announced in time to be included on this year's Annual Bills. However, once the government has passed the necessary legislation, and our software company has issued updates so that we can apply the changes, we will rebill the customers who are affected.

However, we remain concerned about the impact on local businesses from the revaluation and we will be drawing up plans for a new discretionary scheme at the earliest opportunity."

138 TREASURY MANAGEMENT POLICY STATEMENT 2017/18

138.1 RESOLVED:

- 1) That the Committee approves the TMPS and Treasury Management Practices which remain unchanged and as approved by Policy & Resources Committee on 17 March 2016.
- 2) That the Committee approve the Borrowing Strategy as set out in Appendix 3 to this report.

139 ANNUAL INVESTMENT STRATEGY 2017/18

- 139.1 The Committee considered a report of the Executive Director for Finance & Resources in relation to Annual Investment Strategy 2017/18. The Local Government Act 2003

introduced a prudential capital finance system whereby levels of borrowing and investments were decided locally. Guidance issued under the Act required a local authority to approve an annual investment strategy which prioritised security and liquidity and required the Council to set out its policies on: determining the credit-worthiness of its investment counterparties and the frequency at which such determinations are monitored; holding investment instruments other than deposits held in financial institutions or government bodies; determining the maximum periods for which funds may be invested; the minimum level of investments to be held at any one time.

- 139.2 In response to Councillor G. Theobald it was explained that a detailed report was provided which contained information on exactly where money was invested.
- 139.3 It was agreed that a response would be provided to Councillor Wealls after the meeting in relation to increased limits to deposits with Lloyds Bank.
- 139.4 In response to Councillor Sykes it was explained that the improved performance of the Council's investments was not only linked to increased performance management on the part of the Council as a customers; these types of contracts were heavily scrutinised by the organisation and there was always an element of risk with any investment.
- 139.5 The Chair then put the recommendations to the vote.
- 139.6 **RESOLVED TO RECOMMEND** - That the Committee recommend to full Council the approval of the Annual Investment Strategy 2017/18 as set out in Appendix 1 to this report.

140 2017/18 LOCAL TRANSPORT PLAN CAPITAL PROGRAMME

- 140.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to 2017/18 Local Transport Plan Capital Programme. The Chair also noted that the report had been considered at the Environment, Transport & Sustainability Committee on 14 March 2017, as set out in the associated extract. The City Council secured capital funding for transport schemes through the government's Local Transport Plan [LTP] process. The Council approved the use of capital funding for approved and new Transport schemes projects for 2017/18 on 23 February 2017 as part of the overall budget, which included £6.635m worth of new capital investment in Transport from Government sources. Further indicative allocations for the following three years (2018/19 to 2020/21) were also included within the 10-year budget planning approach.
- 140.2 In response to Councillor Sykes the following was explained. Officers would look into specific instances of heavy vehicles damaging buildings in the city. The Shelter Hall project had been complex, with significant work needed to stabilise the structure, in such a project it was expected some increased costs might be incurred; however, as the the final build contract had not yet been completed the exact costs could not be confirmed.

- 140.3 In response to questions from Councillor Mac Cafferty the following was explained. Investment would be focused in areas where safety improvements could be made through engineering work; promotion of safety through education and publicity were also key tools to address collision numbers. Officers agreed to provide a response after the meeting in relation to mobility for residents in the context of a general reduction in street furniture.
- 140.4 In response to Councillor Janio it was explained that a number of schemes had traffic light improvements within them, there were some locations with additional or improved traffic lights and they sat under the work of the intelligent transport model.
- 140.5 Councillor Mitchell highlighted a parallel piece of work being undertaken by the Transport Access Fund that looked at how people travelled and the barriers to them travelling sustainable.
- 140.6 The Chair then put the recommendations to the vote.
- 140.7 **RESOLVED** – That the Committee:
- 1) Agrees the 2017/18 Local Transport Plan capital programme budget allocation of £6.635 million to projects and programmes, as set out in Appendix 2 of this report; and
 - 2) Notes the indicative allocation of future LTP budgets to projects and programmes for 2018/19 and 2019/20 of at least £5.169 million in each year to fund the Local Transport Plan 4-year Delivery Plan, as set out in paragraph 7.1 of this report.

141 EDUCATION CAPITAL RESOURCES AND CAPITAL INVESTMENT PROGRAMME 2016/2017

- 141.1 The Committee considered a report of the Executive Director for Families, Children & Learning in relation to Education Capital Resources and Capital Investment Programme 2016/2017. In order to determine an overall Capital Programme for Brighton & Hove City Council, each service was asked to consider its capital investment requirements, within the level of allocated resources for 2017/18. The purpose of the report was to inform the Committee of the level of available capital resources allocated to this service for 2017/18 and to recommend a Capital Investment Programme for 2017/18. To allocate funding available in the capital programme under Pupil Places and Condition investment for 2017/18. The Chair noted the report had also been considered by the Children, Young People & Skills Committee on 6 March 2017, as set out in the associated extract.
- 141.2 In response to questions from Councillor Sykes the following responses were provided. Smaller works for schools were allocated centrally through the capital grant. Complex negotiations were ongoing in relation to the site of the new secondary school in the city, but it was not possible to comment on any potential location at this time.
- 141.3 In response to Councillor A. Norman it was explained that work was ongoing to remove 'medium risk' asbestos from the city's schools; however, as most of the schools were built pre-2000 it was likely they contained some hidden asbestos.

141.4 The Chair then put the recommendations to the vote.

141.5 **RESOLVED:**

- 1) That the Committee agree the allocation of funding as shown in Appendices 1 and 2 and include this within the council's Capital Investment Programme 2017/18.
- 2) That Committee grant delegated authority to the Assistant Director of Property & Design to procure the capital maintenance and basic need works and enter into contracts within these budgets, as required, in accordance with Contract Standing Orders in respect of the entire Education Capital Programme.

142 PLANNED MAINTENANCE BUDGET ALLOCATION 2017-18 AND PROGRAMME OF WORKS FOR THE COUNCIL'S OPERATIONAL BUILDINGS

142.1 **RESOLVED** – That the Committee:

- 1) Approve the annual programme of planned maintenance works as detailed in Appendices 2 and 3, at a total estimated cost of £3,268,950; and,
- 2) Grant delegated authority to the Assistant Director of Property & Design to procure the planned maintenance works and enter into contracts within this budget, as required, in accordance with Contract Standing Orders.

143 PAY POLICY STATEMENT 2017/18

143.1 **RESOLVED** – That the Committee recommends to Council the adoption of the pay policy statement 2017/18 attached at Appendix 1.

144 ESTABLISHMENT OF BRIGHTON AND HOVE COMMUNITY FUND

144.1 The Committee considered a report of the Executive Director for Neighbourhoods, Communities & Housing in relation to Establishment of Brighton & Hove Community Fund; the Chair also noted that the report had been considered by the Neighbourhoods, Communities & Equalities Committee meeting on 13 March 2017 as set out in the associated extract of that meeting. Through discussions with the community and voluntary sector, the Members Advisory Group, CCG colleagues, Officers and the Charity Commission, the Communities, Equality and Third Sector (CETS) Team had developed and started to deliver a new Third Sector Investment Programme consisting of the following elements: three year (2017-2020) Communities and Third Sector Commissioning Prospectus, and complemented by an annual BHCC Communities Fund. Alongside these service redesigns the team had been exploring the benefits and risks of transferring some or all of the Council held dormant and under-utilised endowment funds to Sussex Community Foundation to form a Brighton & Hove Community Fund. This would establish a strategic partnership with a key local charity with the principal aim of using the transferred funds to generate and attract additional funding to the city, to enable community and voluntary endeavour that meets

the needs of the city. The report explained the purpose of the fund, the benefits and the mechanics of establishing and delivering it.

- 144.2 In response to Councillor Sykes it was explained that the investment return that the community fund expected to achieve was higher than the Council could achieve – though they had a similar low risk portfolio. Some modelling had been undertaken which suggested it would achieve well over the next three years.
- 144.3 The Chair noted that this proposal had been endorsed by the Member Advisory Group, and welcomed the report.
- 144.4 In response to Councillor Mac Cafferty it was explained that close work with the Sussex Community Foundation would be undertaken; quarterly meetings would strategically assess the signposting and promotion of the fund, and much of this would be undertaken by the existing infrastructure of the Sussex Community Foundation.
- 144.5 In response to Councillor G. Theobald it was explained that the funds would be ring-fenced for Brighton & Hove residents; it was also explained there were sufficient checks and balances in place to manage the fund and transfer it to a different body in the unlikely event it did not perform.
- 144.6 Councillor A. Norman welcomed the report and hoped some of the funds be used for science projects that needed funds and scholarship.
- 144.7 The Chair then put the recommendations to the vote.
- 144.8 **RESOLVED:**

1) That the Committee approve the closure of the trusts and the transfer of the endowments listed in appendix 1 to Sussex Community Foundation for the purpose of establishing the Brighton and Hove Community Fund as outlined in this report.

2) That the Committee delegate authority to the Executive Director of Neighbourhoods, Communities and Housing to take all steps necessary to action and complete the transfer.

145 BRIGHTON AND HOVE CITY COUNCIL ROUGH SLEEPERS SOCIAL IMPACT BOND

- 145.1 The Committee considered a report of the Executive Director for Adult Care & Health in relation to Brighton and Hove City Council Rough Sleepers Social Impact Bond. The Department of Communities and Local Government (DCLG) invited funding bids from local authorities interested in commissioning a Social Impact Bond programme to drive innovative approaches to tackling entrenched rough sleeping. The Council, in partnership with Hastings Borough Council, Eastbourne Borough Council, Arun District Council and Adur and Worthing Council, submitted a successful bid and was awarded funding in December 2016 of £983,792 to address a cohort of 150 entrenched rough sleepers each individually identified. The report requested delegated power to progress

the tender process and to award a contract for the provision of services to the successful tenderer in that process.

- 145.2 Councillor Janio welcomed the principle in the report, but argued that there was not a lack of funding to address homelessness, but the work needed to be better coordinated and managed.
- 145.3 In response to Councillor Sykes it was explained that the DCLG had very stringent guidelines on verification of outcomes for this payment by results model – the Council would implement these guidelines as part of the scheme.
- 145.4 In response to a series of questions from Councillor G. Theobald the following was explained. The guidance from DCLG did not specify that those being housed needed to have a connection with the local area. The allocated funding had been assessed and was based on a similar cohort in London. The type of housing could be very flexible as part of the programme.
- 145.5 It was confirmed for Councillor A. Norman that the Housing Department worked closely with the Civil Military Partnership Board with success.
- 145.6 In response to a series of questions from Councillor Wealls the following was explained. The DCLG had undertaken learning from the Thames Reach Scheme, and used that to make this programme a firm outcome based model; how this was achieved by entirely down to the provider to give flexibility. In terms of addressing behaviours, this model sought to focus on the individuals and designing services around their specific needs. This would give the Council the mechanism to commission services differently, and the accommodation based services gave greater flexibility.
- 145.7 The Chair then put the recommendations to the vote.
- 145.8 **RESOLVED:**
- 1) That the Committee agrees to delegate authority to the Executive Director Health & Adult Social Care, following consultation with Executive Director Finance & Resources, to procure and enter into a contract to secure effective delivery of a service to reduce numbers of entrenched rough sleepers, in accordance with the requirements of funding made available to the Council by the DCLG. The proposed service will be delivered in partnership with Hastings Borough Council, Eastbourne Borough Council, Arun District Council and Adur and Worthing Council.
 - 2) That the Committee notes that the procurement will be aligned with priorities within the Council's Rough Sleeping Strategy 2016, the Council's Housing Strategy 2015, Homelessness Strategy 2014-19, and the Council's priorities for the integration of social care and health through Better Care.

146 UPDATE TO THE SCHEME OF DELEGATION

- 146.1 The Committee considered a joint report of the Executive Director for Families, Children & Learning and the Executive Lead Officer for Strategy, Governance & Law in relation to Update to the Scheme of Delegation. The Committee was asked to resolve

to change the Constitution's Scheme of Delegations to transfer the Print & Sign function currently in the Communications Team, (part of the Strategy Governance & Law Directorate) to the Families, Children and Learning Directorate's Employment and Skills service. The function was not separately identified in the Scheme but was part of the general Corporate Communications function. The Graphic Design Team was not included in the proposal. The transfer involved seven members of staff, who would be moved between these Directorates.

146.2 Councillor Janio welcomed the report, and highlighted the social benefits that this service provided.

146.3 The Chair then put the recommendations to the vote.

146.4 **RESOLED:**

- 1) That the Committee resolves to amend the council's Scheme of Delegations to transfer the Print & Sign function from the Strategy Governance and Law Directorate to the Families Children and Learning Directorate;
- 2) That the transfer takes effect from 1 April 2017 or at the conclusion of the consultation process with staff, whichever is later.

147 PROPOSAL TO CREATE A NEW ECONOMIC STRATEGY FOR BRIGHTON & HOVE

147.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to the Proposal to Create a New Economic Strategy for Brighton & Hove. The current Economic Strategy would come to an end in 2018. Since the strategy was published in 2013, there had been multiple factors impacting on the city's economy and, of particular note, were Brexit and its imminent impact on the city, and the Government's recently published Green Paper on the Industrial Strategy. The report set out the rationale for preparing a new Economic Strategy for the city and alignment with wider policy developments. It considered the proposed approach and overall indicative timescales for its development.

147.2 Councillor Wealls stated that he did not oppose the report in principle, but queried how much it actually drove change; arguing that education, planning policy and transport were much greater factors.

147.3 Councillor Janio stated he was not supportive of this work.

147.4 Councillor Sykes welcomed this work, in particular in the context of uncertainty created by Brexit; he asked that the Council consider both the threats and the opportunities that were created.

147.5 The Executive Director responded to some of the points raised in the debate and stated the process of drafting would include review of the previous strategy. He highlighted some of the successes including the living wage, 'Ride the Wave' programme, business training services and funding that had been secured through the regional growth fund; which allowed businesses to invest in their own growth. He went

on to highlight the development of the city region approach which had helped attract capital investment and funds for infrastructure projects. There were also things the Council could do in terms of bringing together key partners and facilitating growth; as well as working with the universities.

147.6 The Chair noted that the final draft would need approval at Full Council.

147.7 The Chair then put the recommendations to the vote; these were carried with 6 in support and 4 abstentions.

147.8 **RESOLVED:** That the Committee:

- 1) Approves the development of a new Economic Strategy (2018-2022) for the city.
- 2) Approves the proposed approach and overall indicative timescales to develop the new Economic Strategy. The final draft strategy will be reported to committee and Council for approval.
- 3) Agrees that Officers commence delivery of the new Economic Strategy with the commissioning of a background paper on the economic and political context in the city ('The City's Economic Story and Policy Context').

148 BRIGHTON TOWN HALL: CITY HALL AND CIVIC OFFICE PROPOSALS

148.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Brighton Town Hall: City Hall and Civic Office Proposals. Brighton Town Hall was a landmark of the city. It was centrally located, adjacent to the Customer Service Centre in Bartholomew Square, and accommodated important life events such as wedding ceremonies and the registration of births, deaths and marriages. It was a building of political significance, hosting Full Council meetings and coordinating electoral events. However, the building was under occupied and substantial grade two listed structure with ever increasing required maintenance needs. The report set out options for continued use of the building, addressing the issues of under-occupancy and increasing maintenance costs. It considered proposals that supported growing business and inward investment through the development of a new civic hub, positioning the city internationally.

148.2 Councillor G. Theobald stated that the building was listed and a local focal point; he welcomed the 'city hall' proposals for the underused building, and felt the Council could look further into the work undertaken in Manchester. He was concerned that the historic Council Chamber should remain in use, and agreed that the appointment of ambassadors needed to be done with cross-party agreement at the Leaders' Group. He was conscious that the role of the Mayor not be downgraded.

148.3 Councillor Sykes noted that the proposals were innovative and interesting; in response to a query it was explained that a low carbon approach was very much being considered.

148.4 Councillor Janio welcomed the creative approach, but expressed his concern in relation to the proposed ambassadors.

148.5 The Chair then put the recommendations to the vote.

148.6 **RESOLVED** – That the Committee:

- 1) Agrees that Officers continue to develop the Civic Office proposals, including piloting a programme of civic events hosted by the mayor's office, linked to attracting inward investment and supporting key business-related campaigns or policy initiatives.
- 2) Agrees that Officers further develop designs and a financial business case to refurbish and modernise Brighton Town Hall to become a multi-sector hub for business growth, international trade, inward investment activity, and destination marketing to position the City as 'open for business', and that the full business case will return to a future Policy, Resource and Growth committee for consideration.
- 3) Agrees that Officers design a role and a recruitment process for a number of 'city ambassadors': a small pool of council-recognised people drawn from the business sector. Proposals around the ambassador role will be developed in consultation with the Leaders Group with a view to the first appointments being made in the 2017/18 municipal year.

149 ASSET MANAGEMENT FUND 2017/18

- 149.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Asset Management Fund 2017/18. The report sought approval for the £1 million of the 2017/18 Asset Management Fund allocation.
- 149.2 Councillor G. Theobald moved an amendment on behalf of the Conservative Group in relation to the toilet facilities in the cemetery to the north of Old Shoreham Road. He noted that the lack of a facility made it difficult for older people and others to attend services, and he hoped the Committee could agree to the amendment on equality grounds.
- 149.3 Councillor Janio formally seconded the amendment; he noted there had been a deputation to the Environment, Transport & Sustainability (ET&S) Committee on this, and hoped the Committee could agree the funding.
- 149.4 Councillor Mitchell highlighted the issue to date; a deputation had been received by the ET&S Committee, at that meeting it had been agreed that Officers would look at the capital and revenue implications of bringing the toilet back into use (currently there was only an adult toilet, with no disabled facility). It was the intention to now bring a report back, to either Committee, setting out the background to closure, the level of usage and funding streams in the contexts of savings within the wider public toilets budget; any report would need to identify savings from within the same service.
- 149.5 The Chair noted that the Administration could not support the proposed amendment in the context of other toilet closures in the city.

- 149.6 Councillor Sykes noted that he would wait for the full report before committing a view.
- 149.7 Councillor Janio highlighted that the Conservative Group were of the view that closing this toilet had been a mistake, and they were seeking to rectify it.
- 149.8 The Chair then put the proposed amendment to the vote. This was **not carried** with 4 in support and 6 against.
- 149.9 In response to a general query from Councillor Wealls it was explained that there was a bidding process for the fund; most bids were agreed and those that were not had largely related to revenue maintenance.
- 149.10 The Chair then put the recommendations to the vote; these were **carried** with 6 in support and 4 against.
- 149.11 **RESOLVED** – That the Committee approve the Asset Management Fund bids for 2017/18 totalling £1 million, as detailed in paragraph 3.3 of this report.

150 CIRCUS STREET REDEVELOPMENT

- 150.1 The Committee considered a report of the Executive Director for Economy, Environment & Culture in relation to Circus Street Redevelopment. The report informed the Committee of changes to the Circus Street project, following the decision by the University of Brighton (“the University”) to seek a withdrawal from the current Development Agreement (between the Council, the university and Cathedral (Brighton) (“Cathedral”). The University wished to reconsider its development options for its proposed academic site in the light of its current landholdings, recent estates investments and as part of a wider strategic assessment of its future development needs. The report requested authority for the Council to agree an appropriate land deal between the three parties and a revised Development Agreement between the Council and Cathedral that would enable construction work to commence at the beginning of May, to bring forward all elements of the mixed use development (aside from the academic building) while enabling the university to reconsider its future university-related development options for the academic site.
- 150.2 In response to questions from Councillor Meadows it was explained that any proposed change of use to the student housing on the site would require planning permission; the value of land could change based on the future use and the permissions granted. There was no intention for the Council to receive part of any potential future uplift in the value.
- 150.3 In response to questions from Councillor Sykes the following responses were provided. There had been construction cost inflation nationally; however, all of the Council’s major projects had the usual industry standards in relation to contingency. The Council had a good track record of achieving a strong mix of uses on major development sites, and they had worked hard with the developer to do this at Circus Street – there was also significant work undertaken to ensure the scheme remained viable in this context. Agreement had been made with the LEP to carry forward the funding into the next financial year.

- 150.4 Councillor G. Theobald stated without the approval of this report the whole scheme would be placed in serious jeopardy; he commended the work of Officers. He went on to highlight his support for the regional dance studio, and emphasised the importance of regenerating the site. He highlighted the historic context and amount of time it had taken to reach this stage in the development and asked that the Committee approve the report to ensure construction could begin.
- 150.5 Councillor Mitchell welcomed the report, as well as the commencement of construction in May. She thanked Officers for their work to bring the project forward, and welcomed the site coming back into use.
- 150.6 The Chair put the recommendations to the vote.
- 150.7 **RESOLVED:**
- 1) That the Committee agrees to a Deed of Variation to the existing Development Agreement that will enable the University to withdraw as a development partner.
 - 2) That the land transfers as per the existing Development Agreement remain unchanged. The University Annex site to be transferred to the council's ownership, appropriated by Cathedral for demolition and construction as per the current planning permission, and the land allocated for the university's proposed academic building to be transferred from the council to the university, for future development by the university.
 - 3) That delegated authority is granted to the Executive Director Economy, Environment & Culture and the Executive Lead Officer, Strategy Governance and Law to agree and/or sign any necessary legal documentation to enable the necessary land transactions to take place and for the Development Agreement to go unconditional.

151 ITEMS REFERRED FOR COUNCIL

- 151.1 There were no additional items referred to Council.

152 CIRCUS STREET REDEVELOPMENT - EXEMPT CATEGORY 3

- 152.1 **RESOLVED** – That the Committee note the information contained in the Part Two appendix.

153 PART TWO PROCEEDINGS

- 153.1 **RESOLVED** – That the information contained in Part Two remain exempt from disclosure to the press and public.

The meeting concluded at 6.45pm

Signed

Chair

Dated this

day of