

Cabinet

Meeting held 19 March 2014

**PRESENT:** Councillors Julie Dore (Chair), Jackie Drayton, Isobel Bowler, Ben Curran, Harry Harpham (Deputy Chair), Mazher Iqbal, Mary Lea and Jack Scott

.....

**1. APOLOGIES FOR ABSENCE**

1.1 An apology for absence was received from Councillor Leigh Bramall.

**2. EXCLUSION OF PUBLIC AND PRESS**

2.1 No items were identified where it was proposed to exclude the public and press.

**3. DECLARATIONS OF INTEREST**

3.1 There were no declarations of interest.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting held on 19 February 2014 were approved as a correct record.

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 Public Question in respect of Confidential Information

Mr Nigel Slack referred to his question to Full Council on 5 February 2014 regarding the exemption of material from the public domain. He stated that he was told that this would be considered and an answer provided in due course. However, he believed that judging by the exemptions in items 13 and 14 on the agenda for the meeting the status quo continued. He therefore asked whether the Council could comment on whether the matter was still under consideration or had the negative decision been made but simply not communicated?

Councillor Julie Dore commented that on all occasions the Council released information that was in the public interest. However, what was in the public interest was subjective. In the case of items 13 and 14 although it may appear to be in the public's interest it breached the confidentiality expected of the private party to the agreement.

5.2 Public Question in respect of the Streets Ahead Contract

Mr Nigel Slack asked, in relation to the Streets Ahead Contract, was it a change of arrangements about who borrowed the money for the project to save money for both AMEY and the Council? He also asked whether it was a change of rules,

because the delivery of the service was a shambles, to avoid AMEY becoming liable for penalty clauses or was it that special vehicles finances were weak and needed to be strengthened with Council guarantees?

Councillor Jack Scott, Cabinet Member for Environment, Recycling and Streetscene informed Mr Slack that it was in the nature of questions concerning a confidential paper that the answers will be slightly more circumspect than otherwise. However, he stated that he was very happy to reiterate the previous statements he had made on this subject, that the paper dealt with financial issues and subsequent legal matters – effectively the first point.

Concerning the second point, it was absolutely not the case that the project was a shambles. The Council published online externally validated and verified performance information about the project which showed this and Mr Slack had been provided with a hardcopy.

Performance data for January 2014 showed that, in respect of immediate responses, Grounds Maintenance, Highways, Structures, Traffic Signals and Street Cleaning had a 100% achievement within contractual timescales with Street Lighting 96.49%. Regarding non-immediate response, Grounds Maintenance and Highways had a 100% achievement within contractual timescales, Street Lighting 99.94%, Structures 50%, Traffic Signals 99.3% and Street Cleaning 99.92%.

Concerning the third point, Councillor Scott had already stated that the decision did not require any situation in which the Council would give the provider more money than previously.

In conclusion, Councillor Scott hoped that this provided some reassurances concerning the issues raised and stated that he was not sure there was much further he could safely say on the matter.

## **6. ITEMS CALLED-IN FOR SCRUTINY**

6.1 There were no items called-in for Scrutiny.

## **7. RETIREMENT OF STAFF**

7.1 The Chief Executive submitted a report on Council staff retirements.

**RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

| <u>Name</u> | <u>Post</u> | <u>Years' Service</u> |
|-------------|-------------|-----------------------|
|-------------|-------------|-----------------------|

### **Children, Young People and Families**

|               |                           |    |
|---------------|---------------------------|----|
| Sandra Dawson | Cleaner, Birley Community | 40 |
|---------------|---------------------------|----|

|                 |   |    |
|-----------------|---|----|
|                 | College   |    |
| Helen Horan     | Assistant Headteacher,<br>Shooters Grove Primary School | 21 |
| Marian Whiteley | Partnership Business Support<br>Officer                 | 40 |
| Leslie Roberts  | Buildings Supervisor,<br>Hillsborough Primary School    | 28 |

### **Communities**

|                   |   |    |
|-------------------|---|----|
| Jan Appleby       | Service Manager, Social Care<br>Accounts Service            | 39 |
| Harold Phillipson | Senior Housing Officer                                      | 49 |
| Hazel Street      | Support and Payments Officer                                | 24 |
| Jan Wood          | Team Manager, Assessment<br>and Care Management<br>Services | 29 |

(b) extends to them its best wishes for the future and a long and happy retirement;  
and

(c) directs that an appropriate extract of this resolution under the Common Seal of  
the Council be forwarded to them.

## **8. FUTURE OF COUNCIL HOUSING PROGRAMME 'HOUSING+' PROPOSALS**

8.1 The Executive Director, Communities submitted a report in relation to the  
Housing+ project.

8.2 **RESOLVED:** That Cabinet:-

- (a) approves the implementation of the Housing+ model as described in the  
report;
- (b) resolves that work on implementing Housing+ does not continue without a  
further decision from Cabinet should the overall financial assumptions made  
within the report prove to be inaccurate;
- (c) delegates authority to the Director of Housing Services to take the  
necessary steps to implement the Housing+ model of housing management  
as described in the report, including the development of the organisational  
structure needed to deliver the model, in consultation with the Director of  
Human Resources;

- (d) delegates authority to the Executive Director, Communities to make the final decisions in relation to the budget and implementation detail for the IT element of the project, as specified in Section 4.3 of the report
- (e) endorses the 'whole Council' approach to Housing+, as described in Section 7 of the report and requests that members of the Executive Management Team establish a Working Group to be responsible for overseeing the engagement of, and support from, other relevant Council services in the implementation of Housing+; and
- (f) requests a review of the Housing+ model to be carried out and the findings reported back to Cabinet within 12 months of the commencement of the City-wide roll out (currently scheduled to begin on 1<sup>st</sup> April 2015).

### **8.3 Reasons for Decision**

- 8.3.1 Housing+ will deliver a housing service which achieves the ambitions set by Cabinet in March 2012 as part of the ballot commitment to tenants (as described in section 4.1.1 of the report). Through the intensive large-scale consultation undertaken with tenants and Members over the last 2 years, a strong and detailed vision for the future of the service has been developed. Customers are clear that they want more streamlined and better joined-up services, tailored to their individual needs and those of their local community. Members also strongly support this vision, which cannot be delivered without a wholesale change of approach.
- 8.3.2 Housing+ offers the potential to help reduce demand for other Council services, for example Adult Social Care. The preventative nature of the Housing+ approach should reduce the demand from Council housing tenants for high-cost service interventions at a later stage. This is not achievable without a significant change to the current Council housing service.
- 8.3.3 The Council must make effective and efficient use of the Housing Revenue Account (HRA) – and the cashable benefits offered by Housing+ will help do just that. Achieving more sustainable tenancies and thereby reducing empty properties and turnover – alongside earlier intervention and guidance in cases of rent arrears – will in the medium to long term generate significant savings for the HRA. This in turn will mean more money available to invest in homes and front line services.
- 8.3.4 Similarly, Housing+ also protects the long-term asset value of the Council housing stock, and of the HRA investment which has been made in it under the Decent Homes Programme. The same protection of the HRA investment would not be afforded by a standstill position.
- 8.3.5 Prior to Sheffield Homes transferring to the Council in April 2013, the housing service largely determined its own priorities and strategic objectives. Now that the service has transferred to the Council there is an expectation corporately for the Council Housing Service to operate and shape itself in a way which achieves the Council's corporate objectives. The service as it currently stands does not do this.

In comparison, Housing+ would see the development of a Council Housing service which meets and fully supports the Council's strategic objectives and organisation design principles, and the Council Housing Service would become a key player in delivering the Council's wider ambitions.

- 8.3.6 The report outlines the projected resources required to implement Housing+ in the short to medium term. These costs and benefits will change as the model develops and the service would look to improve efficiency measures once Housing+ is implemented. These would be in addition to the figures quoted in the report and represent a long term commitment to the viability of the HRA business plan.

#### **8.4 Alternatives Considered and Rejected**

- 8.4.1 The focus for the work with customers, staff and Members since the transfer of Sheffield Homes has been on delivering their vision set out in section 4.1 of the report. There is still further consultation work to do with both customers and staff about the detail of the Housing+ approach. As part of this detailed work, there will be a number of delivery options that will need to be evaluated within the overall Housing+ proposals.

- 8.4.2 The main alternative to the overall Housing+ approach that has been considered is a no-change 'standstill' position. Under this option, there would be no significant changes to the way Council housing services are currently delivered.

- 8.4.3 However, the 'do nothing' option is not viable in the medium to longer-term. This service has to modernise and change the way it operates to improve performance and meet the change the way it operates to improve performance and meet the changing demands of its customers. Without this modernisation and drive for further efficiencies there is a risk that performance could reduce and the long-term aspirations of the HRA Business Plan would not be delivered. A proactive change in the way that the service operates, through Housing+ will help to secure a long-term income stream for the HRA and protect the value of the asset to the Council.

### **9. DISPOSAL OF MANOR SITE 8**

- 9.1 The Executive Director, Place submitted a report recommending the disposal of land at Fretson Road and Queen Mary Road, known as Manor 8, for private housing development.

9.2 **RESOLVED:** That:-

- (a) the decision of Cabinet on 22 November 2006 to sell the land, shown at Appendix A to the report, known as Manor 8, to Lovell Partnerships Ltd be rescinded;
- (b) a developer be procured for Manor 8 using the Homes and Communities Agency's Developer Partner Panel utilising a competitive tender process led by Commercial Services in accordance with Standing Orders;

- (c) the procurement be subject to the landowner's requirements identified in Section 6 of the report;
- (d) delegates authority to the Director of Commercial Services or his nominated deputy to award a contract for this project; and
- (e) delegates authority to the Director of Capital and Major Projects to vary any boundaries as required and to instruct the Director of Legal and Governance to complete the necessary legal documentation to transfer the site to the successful tenderer on the terms set out in the report.

### 9.3 **Reasons for Decision**

- 9.3.1 Disposal through the HCA's Developer Partner Panel would create the best opportunity for the timely delivery of a good quality development that would complement Sheffield Housing Company's planned regeneration of the area.
- 9.3.2 Disposal through this method, agreed with the HCA, would allow the Council to retain a capital receipt generated by the sale.

### 9.4 **Alternatives Considered and Rejected**

- 9.4.1 Disposal of the site without any landowner requirements would potentially realise a greater capital receipt. However, the HCA would not support this course of action by the Council. If the Council were not prepared to impose the proposed landowner requirements, the HCA would exercise its option to purchase the site for £1.

## 10. **IMPLEMENTING THE COMMUNITY INFRASTRUCTURE LEVY (CIL) IN SHEFFIELD**

- 10.1 The Executive Director, Place submitted a report seeking approval for the introduction of a Community Infrastructure Levy (CIL), a new way of securing contributions from developers towards infrastructure provision through the planning system.
- 10.2 **RESOLVED:** That Cabinet:-
  - (a) agrees to publish a Draft Charging Schedule for public consultation, including some rates that are lower than proposed in the Preliminary Draft Charging Schedule, published in January 2013, as set out in Table 1 of the report;
  - (b) agrees that the proposed CIL rates will have assumptions on realistic affordable housing requirements, as set out in Table 2 of the report. These will influence negotiations on planning applications that include an element of affordable housing; and
  - (c) agrees to the publication of a number of draft documents as evidence to

support the proposed CIL charges, including an 'Interim Regulation 123 List' setting out current potential CIL funding priority projects.

### 10.3 **Reasons for Decision**

- 10.3.1 The CIL will help to deliver the City's strategic priorities for infrastructure provision, will be generated by economic growth and reinvested into economic growth and infrastructure. It will be a key funding element of the Sheffield City Region Investment Fund. Successful implementation and investment of CIL funds will make the City more competitive. However, CIL monies will reside with the Council and how they are spent will be locally determined. The focus is likely to be on strategic outcomes, particularly Great Places to Live and Competitive City.
- 10.3.2 The next stage in adopting a CIL is to produce a Draft Charging Schedule setting out the proposed rates that will be charged on a new development, and this will be subject to a period of public consultation.
- 10.3.3 The recommended CIL rates are based on the ability of development to pay. Viability assessments have provided some evidence that some development in the City can afford to pay a CIL charge to help meet identified needs for infrastructure.

### 10.4 **Alternatives Considered and Rejected**

- 10.4.1 One option is not to implement a CIL as it is not compulsory. Some local authorities have decided not to implement a CIL at the present time, where there are no infrastructure requirements or viability is marginal, but most Councils are working on a CIL because funding for essential infrastructure is not otherwise available (currently 155 authorities have already published a Preliminary Draft Charging Schedule). Most Core Cities are also at various stages in the process of adopting a CIL. Most local authorities who have decided not to implement the CIL at the present time have done so on the basis of either no infrastructure need or non-viability from their studies. Our viability study shows charges are viable on certain types of development in certain locations.

## 11. **REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2013/14 (MONTH 9) AS AT 31/12/13**

- 11.1 The Executive Director, Resources submitted a report providing the month 9 monitoring statement on the City Council's Revenue and Capital Budget for 2013/14.
- 11.2 **RESOLVED:** That Cabinet:-
- (a) notes the updated information and management actions provided by this report on the 2013/14 Revenue budget position;
  - (b) In relation to the Capital Programme:-

- (i) approves the proposed additions to the Capital Programme and procurement strategies listed in Appendix 1 to the report, and delegates authority to the Director of Commercial Services, or an officer nominated by him, to award the necessary contracts, on such terms as the Director or nominated officer shall agree, following stage approval by the Capital Programme Group;
- (ii) approves the proposed variations and slippage outlined in Appendix 1 to the report;
- (iii) approves a grant of £125,000 to Site Gallery (Media, Art, Photography) Ltd for the purposes described Appendix 1 and delegates authority to the Director of Culture and Environment, in consultation with the Director of Finance, and the Director of Legal and Governance, the authority to enter into:-
  - a funding agreement; and
  - such other contractual or other arrangements as he may consider appropriate;
  - on such terms as he shall consider appropriate in order to protect the Council's interests in this matter; and
- (iv) notes the latest position on the Capital Programme including the current level of delivery.

### 11.3 **Reasons for Decision**

- 11.3.1 To formally record changes to the Revenue Budget and the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

### 11.4 **Alternatives Considered and Rejected**

- 11.4.1 A number of alternative courses of action are considered as part of the process undertaken by officers before decisions are recommended to Members. The recommendations made to Members represent what officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

## 12. **DISPOSAL OF LAND ADJACENT TO NEW MAY HOUSE FARM**

- 12.1 The Executive Director, Place submitted a report seeking Cabinet approval to the disposal of land adjoining May House Farm.
- 12.2 **RESOLVED:** That Cabinet acting as Charity trustees in accordance with the powers given to the Council as Trustee under the provisions contained in the



Trusts of Land and Appointment of Trustees Act 1996:-

- (a) declares the land adjoining New May House Farm as surplus to the Charity's requirements;
- (b) approves the disposal by long lease of land adjoining New May House Farm in accordance with terms of the report and a Surveyor's Report obtained in compliance with Section 119 (1) Charities Act 2011, subject to the receipt obtained from the sale being applied in accordance with the objects of the Charity; and
- (c) authorises the Director of Capital and Major Projects to instruct the Director of Legal and Governance to prepare and complete all the necessary legal documentation in accordance with the agreed terms and Charity Commission requirements to conclude the disposal and to serve any notices required in connection with the disposal.

### **12.3 Reasons for Decision**

12.3.1 The sale of the land will benefit the Charity and local community by:-

- Removing a maintenance liability.
- Generating a capital receipt to be reinvested in the maintenance of the City Hall Gardens and other charitable purposes in the City of Sheffield.
- Achieving a premium that reflects the additional value of the site to the purchaser whilst preserving the use of the land, as a garden extension, for the terms of the lease.

### **12.4 Alternatives Considered and Rejected**

12.4.1 Should Cabinet not approve the disposal this would result in the loss of a capital receipt to the charity and the retention of maintenance liability.

12.4.2 The land could be advertised on the open market. However, given the nature of the available access to the land and its configuration which directly separates it from the adjoining agricultural land, it is considered that the proposed purchaser is the only party who could benefit from using the land. The land is of no agricultural value, and consequently it is considered that there is no advantage in advertising the proposed disposal on the open market via the local or wider press.

(Note. As this was a decision by the Cabinet acting as Charity Trustees this was not a decision subject to call-in).

## **13. NEW LETTING OF OLD MAY HOUSE FARM**

13.1 The Executive Director, Place submitted a report seeking approval to recommendations for the re-letting of the farm and in accordance with the requirements of the Trust and to improve the net income available for distribution

to the beneficiaries.

13.2 **RESOLVED:** That Cabinet acting as Charity Trustees in accordance with the powers given to the Council as Trustee under the provisions contained in the Trusts of Land and Appointment of Trustees Act 1996:-

- (a) approves the granting of a Farm Business Tenancy of Old May House Farm to Andrew Brian and Tom Lawson in accordance with the terms detailed in the report and the attached appendix; and
- (b) authorises the Director of Capital and Major Projects to instruct the Director of Legal and Governance to complete the tenancy agreement in accordance with the approved terms and such other detailed provisions as he may consider appropriate to the letting.

### 13.3 **Reasons for Decision**

13.3.1 The proposed new letting will benefit the Charity by transferring all future maintenance liabilities to the tenant and by securing an enhanced rent, increasing the net income available for distribution to the beneficiaries of the Trust.

13.3.2 Letting to an existing tenant has the joint benefits of improving long term sustainability through economies of scale and of a tenant with a track record sympathetic to local environment sensitivities.

### 13.4 **Alternatives Considered and Rejected**

13.4.1 Freehold disposal of the farm has been considered but this would be against the objects of the charity and it is not considered that the Charity Commission would approve such a wholesale disposal.

13.4.2 A wider marketing exercise for the tenancy was considered but discounted due to the advantages of amalgamating the farm with an existing Council holding in the vicinity. These include:

- a known tenant who will be sympathetic to the environmental sensitivities of the Mayfield Valley
- a more viable agricultural business unit due to economies of scale, ensuring that the long term viability of the farm business and therefore the Trust's future income.

(Note. As this was a decision by Cabinet acting as Charity Trustees the decision was not subject to call-in).